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ANNUAL REPORT TO PRESIDENT
REVIEWING 1984
SEATTLE CEMENT PLANT

February 19, 1985

ANNUAL REPORT TO PRESIDENT
REVIEWING 1984
SEATTLE CEMENT PLANT

The Seattle Cement Plant was purchased by Ash Grove Cement Company from Lone Star Industries, on March 23, 1984. At that time, a contracted security service and 16 salaried employees were in place to continue plant operations. During the months of April and May, ten (10) wage roll employees were hired. Plant salaried staff maintained plant operations during the interim. On May 15, 1984, the decision was announced to shut the kiln units down indefinitely and continue plant operations as a grinding facility only, importing clinker from Genstar Cement Ltd. On August 13, 1984, #1 kiln was fired in an attempt to use up the slurry inventory which had been held since March 23, 1984. The run was complete on August 20, 1984, producing 1600 tons of clinker.

Production was maintained during 1984 through reliance on clinker importation from Genstar, Type III cement from Durkee, the small quantity of self-produced clinker, and 1200 tons of Durkee clinker. Bulk cement and sack cement were shipped to customers throughout the year in addition to a very minor quantity of interplant transfer of sacked products to the Lake Oswego Plant.

CLINKER

The majority of the clinker supply was secured from Genstar Cement Ltd. and transported to the plant via Canada Cement Lafarge's barge L'Etoile. With Genstar clinker not suitable for Type III cement, a small quantity of appropriate clinker was delivered from Durkee in an attempt to prove the feasibility of various clinker unloading concepts. At year end a cost efficient unloading system had yet to be established and the Type III requirements continued to be delivered to the plant in the form of ground Durkee cement.

Clinker inventory space was provided by six (6), 4000 ton silos and the 20,000 ton clinker hall.

CLINKER (cont)

TABLE I

CLINKER INVENTORY

Beginning Inventory	40,227 tons
Genstar Type I Received	45,943
Genstar Type II Received	85,749
Durkee Received	1,555
Own Production	1,597
Ending Inventory	11,927

FINISH MILL OPERATION

Finish Mill Operation was maintained throughout the year primarily by salaried supervisors with backup assistance from the shift bulkloaders and day shift production crew. Type I and Type II-LA cements were produced in quantities approximating customer demand. A small quantity (1400 tons) of Type III cement was produced from Genstar clinker to determine its quality as a Type III (Durkee) replacement. Additionally, a small quantity of Type III cement was produced from clinker received from Durkee in an attempt to relieve the Durkee Plant from the cement production requirement. 3551 tons of Class G cement was produced in anticipation of a yet unrealized Alaska oil field market. No Masonry cement was produced during the year as inventories of finished product proved adequate.

Gypsum proved in short supply during the months of May and June, requiring a change in our sources. A test quantity of Canadian gypsum was received via rail and a product consisting of a blend of Mexican and Spanish gypsum was received from our regular supplier for evaluation. This latter product proved adequate and cost effective. It became the standard for the balance of 1984. In order to extend supplies, unscreened gypsum was delivered for

FINISH MILL OPERATION (cont)

the first time and proved entirely acceptable. Its acceptability was due primarily to adequate covered inventory space precluding the need to store the gypsum outside.

Maintenance of the Finish Mill operation, other than routine maintenance, included some liner and lifter bar replacement, reversal of the Symetro gear on #2 mill, and replacement of the #2 F.K. compressor.

TABLE II

FINISH MILL OPERATING DATA

	TYPE I	TYPE II	TYPE III	TYPE G	MASONRY	TOTAL
Tonnage	43,879	120,191	3,286	3,551	-0-	170,907
TPH	45.9	46.3	33.6	67.4	-0-	46.2
Tons Gypsum	2,157	5,354	179	107	-0-	7,797
Blaine m^2/kg	399	385	523	287	-	-
Hours Operated	956.1	2594.8	97.8	52.7	-0-	3701.4
Tons Grinding Aid	6.94	20.86	0.83	-0-	-0-	28.63
Pounds Balls Used	-0-	-0-	-0-	-0-	-0-	-0-

SHIPPING

Cement shipped from the Seattle Plant is by bulk or sacks. Bulk cement is shipped via rail car, truck, bulk bag, or box. Sack cement is shipped by truck, rail car, or cargo container. Three wage roll employees are regularly assigned to bulk loading duties. Four other wage roll employees have been adequately cross trained to fill in at any time. Four wage roll employees are generally assigned to sacking operations.

During 1984, the only major maintenance involved the installation of a new built up roof on the packhouse storage shed.

SHIPPING (Cont)

TABLE III

SHIPPING

	TYPE I	TYPE II	TYPE III	CLASS G	MASONRY
Bulk (Tons)	45,411	111,299	19,443	1,810	819
Sacks (Tons)	803	8,725	879	-0-	1,321
Totals:	46,214	120,024	20,322	1,810	2,140
Tonnage Bulk	178,782				
Tonnage Sack	11,728	190,510			
Manhours	12,045				

ENGINEERING

Engineering services were provided by one salaried plant engineer and a contracted draftsman as necessary (716 hours).

Projects Completed in 1984

1. Design of bulk cement unloading facility
2. Design of bag house pallet platform
3. Design of clinker storage building dust collection improvements
4. Design of traction sand load out station
5. Design of F.K. compressor filter relocation
6. Office building floor plan and specification package
7. Specification package for clinker shed roof replacement
8. Raw material wharf feasibility study (contracted)
9. Specification package for Symetro gear vibration analysis service
10. Completed negotiations for METRO's river effluent site investigation
11. Auburn Terminal cleanout

Projects Continuing into 1985

1. Clinker shed roof installation

ENGINEERING (cont)

Projects Continuing into 1985 (cont)

2. Rail car unloading of clinker
3. Office remodeling
4. Gypsum bin replacement
5. Reversal of #1 Symetro gear
6. A rotating machinery vibration analysis (contracted)

MAINTENANCE

All plant maintenance was performed by plant salaried personnel with minor backup assistance by plant wage roll employees through August 1984. Due to increasing backlog, maintenance services were contracted on September 1, 1984. Since that time, two skilled millwrights performed plant maintenance under the supervision of the Repair Supervisor with minor backup from plant wage roll and salaried employees. Electrical maintenance continues to be performed by the plant Electrical Supervisor. Utilization is made of outside machine, fabrication and electrical shops whenever possible.

Each operating piece of machinery is programmed into a calendarized preventative maintenance sequence, which is an extension of the preventative maintenance program that was in place at the time of the plant purchase. P.M. work and inspections may be performed by supervisors, wage roll employees, or contract on-site personnel, depending upon manpower availability and familiarity with equipment. All such work and inspections are documented.

ORGANIZATION

Sixteen (16) salaried personnel were brought on the payroll on March 23, 1984, and maintained plant operations until wage roll people could be hired. Job applicants were screened, interviewed and selected by an independent firm. Of this group, three bulkloaders, six packers and loaders and one yard/

ORGANIZATION (cont)

utility operator were selected. These job classifications correlated to team assignments of Packing and Loading C, Packing and Loading B, and Production D, respectively. In mid-April, the Assistant Plant Manager of Process resigned and was not replaced. In July, the Electrical Supervisor resigned and was replaced by a former plant electrician.

On May 2, 1984, the Seattle Plant was picketed by members of Local 47 of the United Cement, Lime, Gypsum and Allied Workers Union. This picket line continued through July 18, 1984. Though under the guise of an informational picket, isolated incidences of vandalism, sabotage, bomb threats, waterfront picket, trespass and violent threat, complicated the routine flow of product and materials in and out of the plant. During this period, three licensed couriers were contracted to shuttle customer's trucks across the picket line. These and other management controls, customers support and the perserverance and commitment of our employees made for an ineffective picket action and the ultimate demise of the picket line.

SAFETY

TABLE IV

SAFETY

Accidents Referred to Physician	5
Lost Time Accidents	1
Safety Committee Meetings	7
MSHA Inspections	1

A four man safety committee was established in July for the purpose of meeting semi-monthly to discuss plant safety performance, goals and objectives, and to tour plant departments. In August, the company joined the Joseph A. Holmes Safety Association.

SAFETY (cont)

On September 11, 1984, a MSHA representative toured the plant facilities as part of the semi-annual inspection requirement. No citations or notices of non-compliance were issued. Eight (8) specific recommendations were made, all of which were corrected.

On October 26, 1984, a member of the Packing and Loading C Team strained his back while shoveling into a spill elevator. Two workdays later, he reported that he had been hospitalized for severe back pain and would require a disk operation. This employee has been off work since that time and is not expected to be able to return to his normal duties as a bulk-loader.

ENVIRONMENTAL AND LEGISLATIVE MATTERS

Compliance inspections were performed at the plant site by the Puget Sound Air Pollution Control Agency and the Municipality of Metropolitan Seattle (METRO) to inspect for contaminant discharge into the Duwamish River. Both visits were made with routine recommendations and were considered successful in all respects.

The following activities and situations potentially impact the plant's continued ability to operate and involve the continuous participation of plant management as the public hearing process and the formation of the regulatory statutes progress. None is seen at this time to restrict our future capabilities to serve our customers and market.

1. Corps of Engineers, Duwamish River Deepening and Widening Project
2. Port of Seattle, Waterfront Access Plan
3. Shoreline Management Act, Land Reclassification Study
4. City of Seattle, Department of Construction and Land Use Comprehensive Re-zoning Study
5. City of Seattle, Ground Water Contamination Study

ENVIRONMENTAL AND LEGISLATIVE MATTERS (cont)

6. State of Washington, Notice of Plant Closure Legislation
7. State of Washington, Worker Material Safety Data Notification Legislation
8. State of Washington, Hazardous Waste Classifications
9. State of Washington, Business and Occupation Tax Reform
10. Seattle City Light, 1986 Electric Rate Restructuring
11. State of Washington, Air Contaminant Operating Permit Legislation

ANNUAL REPORT
OF
LABORATORY OPERATIONS
ASH GROVE CEMENT WEST, INC.
SEATTLE, WASHINGTON
1984

1. Laboratory A position filled 9/24/84. This will transfer responsibility for physical testing back to Seattle. Lake Oswego will continue to do routine chemical analysis of cement and clinker.

2. Raw material samples from several locations were analyzed as potential sources for a new plant. Two sites warranted further study; White River Quarry, east of Enumclaw and the Blum Clay/Sand Pit.

3. Type III was produced from Genstar Type I clinker for sack business. Subsequent testing has shown this cement to be acceptable for bulk customers. Accelerated heat curing is not as pronounced as Type III previously produced in Seattle. This product is to be designated "III-G".

4. A grinding aid trial of Union Carbide CGA#5, a Glycol base, was implemented in mid-November. No physical changes in the cement performance could be attributed to this new grinding aid.

   The addition rate was nearly twice as high as previously experienced, with the amine based grinding aids at a comparable cement flowability.

TYPE I CLINKER RECEIVED FROM GENSTAR 1984

DELIVERY DATE	SiO_2	Al_2O_3	Fe_2O_3	CaO	MgO	SO_3	Loss	Total Alkali	Free CaO	C_3S	C_3A
07/04/84	20.84	5.63	4.05	66.13	2.39	0.01	0.17	0.57	1.78	67	8.1
08/23/84	20.52	6.13	4.25	65.32	2.64	0.00	0.17	0.62	1.03	63	8.9
10/24/84	20.78	6.07	3.93	66.06	2.64	0.00	0.17	0.55	0.97	64	9.6
11/06/84	21.06	5.59	4.17	65.14	3.00	0.10	0.21	0.56	0.89	61	7.7
11/13/84	20.50	5.99	4.17	65.59	2.69	0.08	0.20	0.60	1.43	65	8.8
11/20/84	20.60	5.77	4.67	64.76	2.86	0.27	0.16	0.63	0.86	62	7.4
11/27/84	20.16	6.19	4.41	64.99	3.17	0.03	0.33	0.60	0.92	63	9.0
12/19/84	20.80	5.95	4.41	65.13	2.77	0.34	0.21	0.58	0.63	60	8.5
Average	20.66	5.92	4.26	65.38	2.77	0.10	0.20	0.59	1.06	63	8.5
σ	0.12	0.21	0.22	0.45	0.23	0.12	0.05	0.03	0.34	2.1	0.68

TYPE II CLINKER RECEIVED FROM GENSTAR 1984

DELIVERY DATE	SiO_2	Al_2O_3	Fe_2O_3	CaO	MgO	SO_3	Loss	Total Alkali	Free CaO	C_3S	C_3A
06/05/84	22.34	5.01	4.39	65.03	2.24	0.02	0.16	0.44	0.80	55	5.9
06/26/84	23.12	4.63	3.89	65.08	2.14	0.02	0.17	0.46	1.06	53	5.7
07/13/84	23.14	5.09	3.85	65.54	2.19	0.00	0.74	0.45	0.74	51	6.9
07/23/84	22.78	4.29	4.21	65.08	2.31	0.01	0.26	0.37	1.78	57	4.2
07/25/84	22.78	4.47	3.99	65.08	2.64	0.00	0.13	0.45	0.72	56	5.2
07/31/84	23.00	4.71	4.05	65.13	2.51	0.01	0.15	0.39	0.63	53	5.5
08/08/84	23.14	4.58	3.58	65.13	2.06	0.01	0.24	0.46	0.97	53	6.1
08/28/84	23.31	4.54	3.49	65.44	2.37	0.05	0.12	0.55	0.74	54	6.1
08/31/84	22.74	4.60	3.64	65.42	2.54	0.01	0.21	0.43	0.72	58	6.1
09/11/84	22.67	4.69	3.58	65.52	2.60	0.02	0.36	0.42	0.92	58	6.3
09/14/84	22.66	4.66	3.60	65.74	2.38	0.01	0.24	0.47	1.15	58	6.4
09/20/84	22.84	4.88	3.64	65.50	2.38	0.01	0.24	0.47	0.57	55	6.9
10/03/84	22.36	4.99	3.87	65.60	2.49	0.02	0.16	0.53	0.60	58	6.7
10/12/84	22.40	5.11	3.89	65.69	2.45	0.01	0.16	0.48	0.69	57	6.9
12/04/84	22.46	5.05	3.85	64.49	2.84	0.05	0.23	0.57	1.66	52	6.9
Average	22.78	4.75	3.83	65.30	2.41	0.02	0.24	0.46	0.92	55	6.2
σ	0.30	0.24	0.25	0.32	0.20	0.01	0.15	0.05	0.35	2.4	0.73

PLANT SEATTLE CEMENT TYPE I YEAR 1984

	July	Aug	Sept	Oct	Nov	Dec
CHEMICAL ANALYSIS						
SiO_2	20.46	20.14	20.18	20.40	20.26	20.15
Al_2O_3	5.08	5.28	4.70	4.73	4.66	5.08
Fe_2O_3	3.70	3.90	4.05	3.89	4.02	4.15
CaO	64.98	64.67	64.59	64.75	64.52	64.07
MgO	1.77	1.69	2.41	2.12	2.35	2.60
SO_3	2.38	2.36	2.29	2.27	2.34	2.26
Na_2O	0.31	0.32	0.32	0.35	0.34	0.34
K_2O	0.35	0.36	0.35	0.35	0.36	0.36
Free CaO	1.08	0.95	0.77	0.98	1.22	1.13
Ign. Loss	0.93	1.28	1.18	1.14	1.14	1.00
Insol.	0.16	0.12	-	0.13	0.17	0.09
C_3S	63	62	66	65	64	61
C_2S	11	11	8.5	9.7	9.1	11.7
C_3A	7.2	7.4	5.6	6.0	5.6	6.4
C_4AF	11.2	11.9	12.3	11.8	12.2	12.6
PHYSICAL TESTS						
Blaine	401	397	402	400	400	395
-325m	-	93.6	94.3	94.4	94.2	94.5
N.C.	24.3	24.2	24.2	24.2	24.6	24.6
Air	7.5	8.9	10.2	8.4	8.4	8.4
Autoclave	-	+0.063	+0.068	+0.074	+0.079	+0.080
Time of Set						
Initial	68	83	95	70	70	77
Final	179	190	205	170	175	220
False Set	71	65	89	81	82	82
Strength						
1 Day	2180	2300	2040	2200	2310	2350
3 Day	3550	3860	3710	3710	3730	3780
7 Day	4460	4760	4120	4550	4520	4760
28 Day	5520	5500	5200	5520	5600	5840
Pack Set	-	-	-	22	14	10

PLANT SEATTLE CEMENT TYPE I YEAR 1984

	Average	σ
CHEMICAL ANALYSIS		
SiO_2	20.27	0.12
Al_2O_3	4.91	0.23
Fe_2O_3	3.95	0.14
CaO	64.60	0.28
MgO	2.16	0.33
SO_3	2.32	0.05
Na_2O	0.33	0.01
K_2O	0.36	0.01
Free CaO	1.02	0.14
Ign. Loss	1.11	0.12
Insol.	0.13	0.03
C_3S	64	1.8
C_2S	10.2	1.15
C_3A	6.4	0.72
C_4AF	12.0	0.44
PHYSICAL TESTS		
Blaine	400	3.80
-325m	94.2	0.32
N.C.	24.4	0.18
Air	8.6	0.81
Autoclave	+0.073	0.006
Time of Set		
Initial	77	9.5
Final	190	17.6
False Set	78	8.0
Strength		
1 Day	2230	104
3 Day	3720	93
7 Day	4530	215
28 Day	5530	188
Pack Set	15	0.3

PLANT SEATTLE CEMENT TYPE II YEAR 1984

	May	June	July	Aug	Sept	Oct
CHEMICAL ANALYSIS						
SiO_2	* 21.64	* 21.52	21.91	* 21.85	* 22.22	* 21.92
Al_2O_3	4.90	4.91	4.31	4.41	4.54	4.28
Fe_2O_3	3.42	3.63	3.81	3.72	3.31	3.63
CaO	64.34	64.30	64.31	64.08	64.42	64.23
MgO	0.87	1.27	1.87	1.80	1.71	1.83
SO_3	2.57	2.42	2.37	2.34	2.26	2.27
Na_2O	0.39	0.33	0.25	0.24	0.29	0.32
K_2O	0.35	0.36	0.28	0.29	0.31	0.31
Free CaO	1.15	1.74	1.04	1.18	0.97	1.11
Ign. Loss	1.58	1.37	0.95	1.25	1.22	1.21
Insol.	0.18	0.26	0.12	0.10	0.09	0.09
C_3S	52	53	54	53	52	54
C_2S	23	22	22	23	25	22
C_3A	7.2	6.8	5.0	5.4	6.4	5.2
C_4AF	10.4	11.0	11.6	11.3	10.1	11.0
PHYSICAL TESTS						
Blaine	393	390	384	385	379	382
-325m	91.2	-	-	92.1	92.4	91.1
N.C.	24.8	24.8	24.2	24.1	23.9	23.9
Air	9.2	7.1	7.1	7.3	9.3	8.0
Autoclave	+0.037	+0.057	+0.063	+0.047	+0.043	+0.039
Time of Set						
Initial	80	73	66	80	77	70
Final	137	197	195	190	196	185
False Set	73	84	81	83	79	82
Strength						
1 Day	1600	1640	1740	1570	1530	1570
3 Day	2780	2860	2870	2670	3040	3000
7 Day	3780	3890	3360	3460	3630	3680
28 Day	5420	5470	5100	4920	4980	5020
Pack Set	-	-	-	-	-	15

* Blend of Seattle and Genstar clinker

PLANT SEATTLE CEMENT TYPE II YEAR 1984

			Nov	Dec	Average	σ
CHEMICAL ANALYSIS						
SiO_2			21.86	21.81	21.84	0.19
Al_2O_3			4.28	4.69	4.54	0.25
Fe_2O_3			3.65	3.62	3.60	0.15
CaO			64.31	63.96	64.24	0.14
MgO			1.73	2.20	1.66	0.38
SO_3			2.29	2.30	2.35	0.10
Na_2O			0.31	0.27	0.30	0.05
K_2O			0.34	0.32	0.32	0.03
Free CaO			1.29	1.08	1.20	0.22
Ign. Loss			1.16	0.84	1.20	0.22
Insol.			0.08	0.15	0.13	0.06
C_3S			55	51	53	1.2
C_2S			22	24	23	1.05
C_3A			5.1	6.3	5.9	0.80
C_4AF			11.2	11.0	11.0	0.45
PHYSICAL TESTS						
Blaine			380	384	385	4.5
-325m			91.5	94.5	92.1	1.16
N.C.			24.4	25.0	24.4	0.40
Air			7.6	8.6	8.2	0.77
Autoclave			+0.039	+0.052	+0.047	0.009
Time of Set						
Initial			80	73	75	4.9
Final			170	196	183	19.4
False Set			80	87	81	3.6
Strength						
1 Day			1740	1820	1650	97
3 Day			3250	3160	2950	182
7 Day			3870	4070	3720	219
28 Day			5360	5530	5230	229
Pack Set			13	13	14	0.9

PLANT SEATTLE CEMENT TYPE III YEAR 1984

	July	Aug	Sept	Oct	Nov	Dec
CHEMICAL ANALYSIS						
SiO_2				* 19.92	* 20.05	# 23.05
Al_2O_3				4.53	4.67	4.01
Fe_2O_3				3.84	3.83	2.56
CaO				63.68	63.80	64.39
MgO				2.41	2.09	0.86
SO_3				2.41	3.25	3.05
Na_2O				0.35	0.34	0.10
K_2O				0.35	0.36	0.43
Free CaO				1.09	1.26	1.10
Ign. Loss				1.48	1.84	1.55
Insol.				-	-	-
C_3S				63	61	47.6
C_2S				9.9	11.4	30.6
C_3A				5.5	5.9	6.3
C_4AF				11.7	11.6	7.8
PHYSICAL TESTS						
Blaine				541	523	506
-325m				96.7	96.8	95.7
N.C.				26.3	26.2	26.1
Air				6.8	6.0	7.8
Autoclave				+0.048	+0.061	-0.047
Time of Set						
Initial				50	54	71
Final				135	131	173
False Set				73	76	83
Strength						
1 Day				3220	3110	2180
3 Day				4710	4780	3880
7 Day				5420	4180	4190
28 Day				6010	6140	6560
Pack Set				12	12	9

* Genstar Type I clinker

Durkee Type I clinker

1984 ENDING INVENTORY

ITEM	PHYSICAL		BOOK	DIFFERENCE
Limestone	-		20,000	-
Wenatchee Silica	-		3,300	-
Tacoma Slag	-		2,835	-
Ravensdale Silica	-		1,000	-
Plant Coal	-		3,475	-
Gypsum	2,223		2,087	136
Vinsol NVX	1.1		1.1	-0-
Emersol 213	0.5		0.5	-0-
Grinding Aid	20.7		20.7	-0-
Slag	72		338	(266)
Genstar Clinker				
I	7,207	13,047	11,927	1,120
II	5,840			
Durkee Clinker				
I	-0-	-0-		-0-
II	-0-			
Cement				
I	7,639		7,482	157
II	13,236		12,633	603
III	5,210		4,941	269
G	3,450		3,406	44
Masonry	1,852		1,759	93
White	10		10	-0-

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

December, 19

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		1,700
Clinker produced		1,597
Clinker produced, % of schedule		.939
Clinker produced, % of optimum		
Clinker purchased	11,677	131,658
KWH per ton of clinker		27.00
Mill B.T.U./ton, kilns only		7.2M
Cement production scheduled	9,821	162,319
Cement produced	12,400	170,907
Cement produced, % of schedule	1.263	1.053
Cement produced: Type I	6,212	44,589
Type II	4,676	119,481
Type III	1,512	3,286
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		3,551
Masonry		
Cement shipments estimated	9,821	162,319
Cement shipments actual	14,092	190,506
Cement shipments, % of estimate	1.435	1.174
Cement Shipments: Type I	6,863	45,411
Type II	5,422	120,700
Type III	1,714	20,324
Type I-P		
Type V		19
Oil Well, H		
Oil Well, G		1,810
Masonry	93	2,242
Intra-Company shipments		
Clinker shipped		
Clinker received		1,555
Cement shipped		147
Cement received	2,007	18,387
Inventories:		
Clinker produced & purchased	11,927	
Cement produced & purchased	30,223	
Coal	3,475	
Gypsum	2,087	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.086	.063
Wage MH/ton clinker produced (exclude load & ship)		.109
Wage overtime, % of total wage MH	.016	.036
Wage overtime, % of total wage MH (exclude load & ship)	.002	.023
Employment		
Additions, (Discontinuations)		
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

AGC2D000028

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry Prod. to Plant		
Employment Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. M.V. Tropical Beauty remained berthed at the Kaiser Terminal since 12/1/84, carrying 22,900/tons of UBE cement. Operation was very dusty at times. Obvious mechanical complications has slowed unloading to a crawl. Unloading rate is reported to be 80/tons per hour when operating. Unloading is projected to continue three more weeks, until complete. The ship shows extensive cement contamination on the bridge and super structure, as well as, down the scuppers.

2. Offered Ideal Basic Industries 20,000/tons of -3½ inch limerock @ $3.00/ton realized, our plant (~~$50.00~~ 3.00/ton F.O.B. IBI).

3. Met with METRO officials for post site visit conference. They requested that elutriation test be performed on coal, fly ash and slag and that the reports be made available to them. Also required testing of settling pond water and dyking of our oil storage dock.

4. 1000/tons of clinker received from Durkee, analyzed below 55% C_3S. Ground as Type III, it is presently being held awaiting dispostion.

5. Office remodeling decisions made on carpet, floor covering, upholstry and paint color tones. Contractor is proceeding with preliminary work though demolition will not begin until 1/10/85.

5. Received materials for clinker shed roof repair scheduled to begin in January.

Kenneth J. Rone, Jr.
Plant Manager

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

NOVEMBER, 1984 — SEATTLE

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		1,700
Clinker produced		1,597
Clinker produced, % of schedule		.939
Clinker produced, % of optimum		
Clinker purchased	23,088	119,981
KWH per ton of clinker		227.00
Mill B.T.U./ton, kilns only		7.2M
Cement production scheduled	12,848	152,498
Cement produced	21,501	158,507
Cement produced, % of schedule	1.673	1.039
Cement produced: Type I	16,211	38,377
Type II	4,505	114,805
Type III	785	1,774
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		3,551
Masonry		
Cement shipments estimated	12,848	152,498
Cement shipments actual	23,334	176,414
Cement shipments, % of estimate	1.816	1.157
Cement Shipments: Type I	11,178	38,548
Type II	9,310	115,278
Type III	2,516	118,610
Type I-P		
Type V		19
Oil Well, H		
Oil Well, G		1,810
Masonry	330	2,149
Intra-Company shipments		
Clinker shipped		
Clinker received	979	1,555
Cement shipped		147
Cement received	1,878	16,380
Inventories:		
Clinker produced & purchased	11,955	
Cement produced & purchased	29,908	
Coal	3,475	
Gypsum	1,631	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.060	.061
Wage MH/ton clinker produced (exclude load & ship)		.109
Wage overtime, % of total wage MH	.075	.039
Wage overtime, % of total wage MH (exclude load & ship)	.005	.028
Employment		
Additions, (Discontinuations)		
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

AGC2D000030

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Contractor's employee was hit in the eye (wearing safety glasses) by mill liner bolt. Missed one days work. Received minor cut on nose and bruises.
2. Completed removal of cement from Auburn Terminal. One hundred and ten tons were returned to plant.
3. Met with geologist, Ralph Clark. Discussed two potential prospects for hi-silica material. Clark, Post and Miller met the landowner to establish first interest. Further studies will continue of possible maritime sources. All investigations, to date, have been inland.
4. Reversal of #2 Symetro gear completed. All aspects of this job went very well. No unusual characteristics at this time other than minor oil leak at input shaft.
5. Met with Seaspan officials in Vancouver, to discuss clinker offloading proposals.
6. Meeting was held between yourself, Mr. Wells and wageroll employees to dispell their fears of an impending layoff due to reduced sack volume.
7. Unloaded 1000/tons of clinker from Durkee Plant.
8. (b) (6) [redacted] arm, only pulling
9. Met with Mr. Randall of Pioneer Construction Materials to discuss the performance of our Type I on the Century Building job. ACI requires 1400 PSI excess over the 10,000 PSI design strength at 56 days. Our performance seems to be 10,600-10,800 PSI, not good enough.
10. Met with Mr. Summers of Pioneer Construction Materials, regarding traction sand shipments. Designed permanent loading system incorporating steel tank #3. Total project will cost $6500. Began component fabrication.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

October, 19 — SEATTLE

		MONTH	YEAR
Clinker production capacity			
Clinker production scheduled			1,700
Clinker produced			1,597
Clinker produced, % of schedule			.939
Clinker produced, % of optimum			
Clinker purchased		17,243	96,893
KWH per ton of clinker			27.00
Mill B.T.U./ton, kilns only			7.2M
Cement production scheduled		17,028	139,650
Cement produced		28,986	137,006
Cement produced, % of schedule		1.702	.981
Cement produced:	Type I	6,858	21,456
	Type II	21,139	110,010
	Type III	989	989
	Type I-P		
	Type V		
	Oil Well, H		
	Oil Well, G		3,551
	Masonry		
Cement shipments estimated		17,028	139,650
Cement shipments actual		28,877	153,246
Cement shipments, % of estimate		1.696	1.097
Cement Shipments:	Type I	8,117	27,370
	Type II	18,055	106,150
	Type III	2,450	16,078
	Type I-P		
	Type V		19
	Oil Well, H		
	Oil Well, G		1,810
	Masonry	255	1,819
Intra-Company shipments			
Clinker shipped			
Clinker received			576
Cement shipped		20	147
Cement received		1,705	14,503
Inventories:			
Clinker produced & purchased		8,328	
Cement produced & purchased		29,763	
Coal		3,475	
Gypsum		1,407	
Cement made, cost/ton			
Wage MH/ton cement shipped (Load and ship only)		.051	.062
Wage MH/ton clinker produced (exclude load & ship)			.109
Wage overtime, % of total wage MH		.025	.033
Wage overtime, % of total wage MH (exclude load & ship)		.001	.034
Employment			
Additions, (Discontinuations)			
End of Month Total		24	24
End of Month Wage		10	10
End of Month Salaried		14	14

AGC2D000032

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: **All Locations**

1. Held Safety Committee Meeting. Three reportable accidents as follows:
   A. Contractor cut index finger while moving piece of steel round stock. Sutures required.
   B. Contractor struck in face (eye) with mill liner bolt resulting in one day off work. Cut nose and bruised eye.

(b) (6)

2. Raw materials survey progressed during month. Two samples of hi-silica materials seem to have merit. Owner's permission to take samples was obtained for more representative evaluation. Survey at this point has been limited to inland sites along the Puget Ridge.

3. Auburn Terminal cleanout continued through month end with 44 tons returned to plant for regrind thus far.

4. Completed United Way of King County campaign.

5. Produced Type III cement from Genstar clinker. Performance approximates Durkee Type III more so than Ideal Type III.

6. Pioneer Construction Materials Co. complained about high pack set. Confirmed this situation and increased additive dosage.

7. Monsanto agreed to take back balance of VBLS. They also forwarded to us, forms which would legally assign the VBLS contract to Ash Grove. They are anxious to find processors who could consume VBLS. I feel $85.00/ton processing fee (F.O.B. Seattle) is realistic.

8. Office remodeling quoted at $31,000. Aluminum window option will increase quote $17,500.

9. Poured test section of Type I cement, in cooperation with Pioneer, to determine effects of high dosages of Mighty 150 and suspicions of fast take-up.

10. Mssrs. Sundberg and Wheeler held seminar for wageroll employees to explain benefits. Thorough explanations were well received by those in attendance.

11. Lone Star Industries inquired about past kiln dust and/or plant waste dumping practices, ie. how much and where. We declined to offer this information. LSI is under Federal investigation for dumpsite in Salt Lake City.

12. Seaspan officials visited plant again for look-see at clinker unloading. Their plans involve tarped and wrapped deliveries and truck drive-on/drive-off loading. Dredging would probably be required to accomodate 12,000 ton deliveries.

13. Discovered severe corrosion of gypsum feed bin. Recommending complete replacement of bin in 1985.

14. METRO representatives visited plant to inspect for Duwamish River pollution. They will follow-up on ASARCO slag storage and the oil and lubricant storage area. Future conference not scheduled at this time.

15. We were advised of Pioneer Construction Materials' desire to continue ground blast furnace slag and resurrect traction sand loading at plant. They visited plant to inspect sand loading possibilities.

16. Received final NLRB appeal ruling. Our appeal was denied and the UCLGAW are free to picket at any time on Area Standards basis. They cannot picket recognitionally. We were unsuccessful in obtaining an order requiring a penalty period where all picketing would be disallowed, though the board ruled that past picketing had been illegal.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

September, 19 84

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		1,700
Clinker produced		1,597
Clinker produced, % of schedule		.939
Clinker produced, % of optimum		
Clinker purchased	23,232	79,650
KWH per ton of clinker		27.00
Mill B.T.U./ton, kilns only		7.2M
Cement production scheduled	23,614	122,622
Cement produced	23,649	108,020
Cement produced, % of schedule	1.001	.881
Cement produced: Type I	1,662	14,598
Type II	21,987	89,871
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		3,551
Masonry		
Cement shipments estimated	23,614	122,622
Cement shipments actual	20,049	124,369
Cement shipments, % of estimate	.849	1.014
Cement Shipments: Type I	1,557	19,253
Type II	16,548	88,095
Type III	1,695	13,628
Type I-P		
Type V		19
Oil Well, H		
Oil Well, G		1,810
Masonry	249	1,564
Intra-Company shipments		
Clinker shipped		
Clinker received	91	576
Cement shipped	22	127
Cement received	997	12,798
Inventories:		
Clinker produced & purchased	18,700	
Cement produced & purchased	27,969	
Coal	3,475	
Gypsum	2,015	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.065	.064
Wage MH/ton clinker produced (exclude load & ship)		.109
Wage overtime, % of total wage MH	.011	.035
Wage overtime, % of total wage MH (exclude load & ship)	.008	.051
Employment		
Additions, (Discontinuations)		
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

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OPERATIONS REPORT -- COMMERCIAL ROCK — September 1984

	MONTH	YEAR
Primary Crusher Production:		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Met twice with Safety Committee. No accidents to report. MSHA biannual inspection conducted with no unusual findings. No citations. Several off record advisories which have since been implemented.
2. Met with Ed Miller and Ralph Clark, consulting geologist, to initiate raw material evaluations for proposed new plant.
3. Representatives of PacWest visited plant to discuss possible cement shipments/ deliveries on their equipment to Alaska and from Canada.
4. Pioneer Construction's initial entry into the sack cement business has reduced our sack volume by 50%.
5. Three picketers showed up at 11:20 a.m. on 9/14/84, with signs which read, "Ashgrove (sic) is substandard by Local 47 USLGAW." They left at 12:05 p.m. and had no effect on business. NLRB decision to allow further recognitional picketing is being appealed.
6. PSAPCA (air pollution) annual inspection conducted with no unusual results. Will need to rebag #2 finish mill dustcollector.
7. Pioneer Construction Materials reporting "fast take-up" on Type II. We are continuing to investigate this complaint.
8. Bruce Price at Genstar Ltd. called to report their kiln down during a Type II run and they have little inventory on hand. They wish to postpone delivery on 9/24/84. This was approved. Present plant inventories are adequate to absorb interruption.
9. Mr. Billings advised that we had won approval for self-insurance in Washington State, effective 10/1/84. Administration will be coordinated between Overland Park and Plant Office.

10. (b) (6) [redacted]

11. Arranged for Friday preloading of two truckloads for weekend freeway work. This eliminates the need for callout overtime.

12. Implementing further reduction of security forces. Will use only one officer for access control around the clock Monday through Friday. Weekend assignment will remain as before.

13. Began trial runs of Type III production with Genstar clinker. Further trial runs planned for week of 10/14/84.

14. Eric Nussle began training for position of Laboratory B to perform physical testing.

15. Columbia Cement Corp. voiced interest in coal stockpile. They will be quoted, as others have, at our cost plus $2.00 handling.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

August, 1984 — SEATTLE

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled	1,700	1,700
Clinker produced	1,597	1,597
Clinker produced, % of schedule	.939	.939
Clinker produced, % of optimum		
Clinker purchased	16,873	56,418
KWH per ton of clinker	27.00	27.00
Mill B.T.U./ton, kilns only	7.2M	7.2M
Cement production scheduled	26,480	99,008
Cement produced	24,966	84,371
Cement produced, % of schedule	.943	.852
Cement produced: Type I	1,827	12,936
Type II	21,630	67,884
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G	1,509	3,551
Masonry		
Cement shipments estimated	26,480	99,008
Cement shipments actual	29,295	104,320
Cement shipments, % of estimate	1.106	1.054
Cement Shipments: Type I	1,713	17,696
Type II	25,078	71,547
Type III	2,260	11,933
Type I-P		
Type V		19
Oil Well, H		
Oil Well, G		1,810
Masonry	244	1,315
Intra-Company shipments		
Clinker shipped		
Clinker received		485
Cement shipped	22	105
Cement received	1,509	11,801
Inventories:		
Clinker produced & purchased	17,891	
Cement produced & purchased	23,394	
Coal	3,475	
Gypsum	409	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.050	.064
Wage MH/ton clinker produced (exclude load & ship)	.107	.107
Wage overtime, % of total wage MH	.048	.040
Wage overtime, % of total wage MH (exclude load & ship)	.202	.202
Employment		
Additions, (Discontinuations)	1	24
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Rroduction		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Met twice with Safety Committee. No accidents to report. MSHA made brief visit to assess present operation in anticipation of routine inspection program which will begin shortly.
2. Contracted two millwrights through temporary placement agency to assist in completing backlogged maintenance department. Anticipate continuing this program through November.
3. Two belt splice failures caused delays and back charges from clinker barge operator. Presently investigating splicing contractor's liability.
4. Consulting firm submitted feasibility study for wharf and material handling improvements.
5. Visited View Cove to meet with Wink Brothers representative and indicate where assessment hole is to be drilled.
6. Ash Grove Board of Directors visited plant for plant tour and luncheon with
7. Northwest staff. Confidentiality of planning was successful and the dayswas enjoyed without outside harassment.
7. Established "On Call" weekend duty schedule and provide for security personnel only from 11:00 p.m., Fridays until 11:00 p.m. Sundays.
8. Produced 1600 tons of clinker during one-kiln operation. Poor moisture content from months of wash downs kept fuel efficiencies in the 7.2 million BTU range. Good coal flow kept kiln stable and clinker is generally low freelime.
9. Snoqualmie Pass paving job visited by Mr. Gould and Mr. Fernow on separate occasions. Despite complaints about hot cement, smelly cement, sticky cement, they indicated that the operation looked smooth and that no specific problems were shown to them.
10. Broken truckloading screw was same screw replaced week of 5/18. Clinker elevator lower take-up wheel worn out and failed. Both failures a result of deminished inspection and preventive maintenance. As shipments allow, present wageroll people will be trained in formal P.M. schedule.

11. Visited Kennewick terminal. Incorporating design features of their cement unloading system into the new Seattle design, now under design.
12. Began grinding Type II on #1 F.M. after two month delay to get Type "G" approval. Produced 3500 tons of Type G.
13. Held half day seminars with all supervisors led by Mrs. Woodruff of Donworth Taylor. Subject matter was properly evaluating performance within the new wage structure.
14. Modification of wage structure implemented 8/3/84. Sacking and tableman function (formerly Level A) absorbed in Level B of packing and loading team. Also all levels, zones and present rates increased $1.00/hour. Each employee advised of this change individually.
15. Power outage due to electrical storm took down plant for three minutes. All secure after 1½ hours.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

July, 19 — SEATTLE

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased		
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	20,196	72,528
Cement produced	25,568	59,405
Cement produced, % of schedule	1.266	.819
Cement produced: Type I	5,709	11,109
Type II	18,637	46,254
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G	1,222	2,042
Masonry		
Cement shipments estimated	20,196	72,528
Cement shipments actual	21,630	75,025
Cement shipments, % of estimate	1.071	1.034
Cement Shipments: Type I	3,177	15,983
Type II	15,835	46,469
Type III	2,314	9,673
Type I-P		
Type V		19
Oil Well, H		
Oil Well, G		1,810
Masonry	304	1,071
Intra-Company shipments		
Clinker shipped	-	-
Clinker received	-	485
Cement shipped	-	83
Cement received	2,692	10,292
Inventories:		
Clinker produced & purchased	23,494	
Cement produced & purchased	26,236	
Coal	4,000	
Gypsum	829	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.082	.069
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.064	.037
Wage overtime, % of total wage MH (exclude load & ship)		
Employment		
Additions, (Discontinuations)		23
End of Month Total	23	23
End of Month Wage	9	9
End of Month Salaried	14	14

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OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry Prod. to Plant		
Employment Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. One reportable accident, no lost time or limited duty. Established Safety Committee and held first meeting.
2. Further tests of Type G cement at Dowell's Alaska laboratory proved inclusive.
3. Samples submitted to Dowell's Casper, Wyoming laboratory passed. Twenty-seven tons of Type G cement produced and held in inventory.
3. Richard A. Gabel accepted the position as Electrical Supervisor, to replace Paul Burton, who is rejoining Lone Star.
4. Consulting engineers continued to review feasibility of material unloading and wharf modification.
5. Packing and loading member, Eric Nussle, worked overtime at the Auburn Plant to assist with car unloading. Overtime charged to Seattle Cost of Sales.
6. Truck couriers put on Ash Grove's payroll to reduce liability of their present employer. The employer will continue to fund their health and benefit plan and backcharge Ash Grove Cement West.
7. Determined that none of the present or anticipated work, shipped out of Seattle, requires American manufacture as required in the Surface Transportation Assistance Act of 1982.
8. Picketing activity continued through July 18, 1984. Picketers vandalized personal automobiles of truck driver and shuttle driver at their homes. Canadian's Seamans Guild refused to tow barge through picket line, requiring the work be given to a competitive towing company, which did not recognize the picket line. Picketers abandoned their efforts on July 18 and have reappeared on only one occasion, without signs, for a two hour period.
9. Visited Dall Island with Ed Miller. Inspected Oswego, Superior and Patented Claims. Visited View Cove Camp and met with Sea-Alaska timber representative in Ketchikan.

10. Department of Labor and Industries visited to evaluate application for self-insurance. Approval has been delayed pending the State's resolution of the plant name change.

11. Met with wageroll employees to discuss their concerns over advancement opportunities, base pay and insurance deductibles, resulting in re-evaluation of plant policies and wageroll administration.

12. Power outage due to electrical storm took plant down for three minutes. All operations restarted and were secure after one and a half hours.

Ken

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

June, 1984

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased		
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	17,553	56,226
Cement produced	10,558	33,837
Cement produced, % of schedule	.601	.602
Cement produced: Type I		5,400
Type II	10,173	27,617
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G	385	820
Masonry		
Cement shipments estimated *	17,553	56,226
Cement shipments actual	18,019	53,395
Cement shipments, % of estimate	1.027	.950
Cement Shipments: Type I	2,481	13,653
Type II	12,436	29,740
Type III	2,192	7,359
Type I-P		
Type V		
Slag	66	66
Oil Well, G	608	1,811
Masonry	236	766
Intra-Company shipments		
Clinker shipped	-	-
Clinker received	485	485
Cement shipped	41	83
Cement received	2,306	~~7,560~~ S/B 7600
Inventories:		
Clinker produced & purchased	19,968	-
Cement produced & purchased	19,604	-
Coal	4,000	-
Gypsum	686	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.085	.064
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.005	.024
Wage overtime, % of total wage MH (exclude load & ship)		
Employment		
Additions, (Discontinuations)	0	23
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

*Estimated shipments exclude Auburn Terminal actual shipments.

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Three reportable accidents, one of which required doctors attention (splinter). No lost time or limited duty.

2. Status of Type G testing at Dowell unclear. Latest sample failed, but passed at Inkom. Additional runs were sampled with results pending.

3. Two clinker barges containing Type II clinker received from Genstar. Picketers present during mooring and unloading.

4. Paul Burton, Chief Electrician, resigned effective July 15, 1984, to return to Lone Star.

5. Shipping ground blast furnace slag to Pioneer Construction Materials.

6. Pickets began leafletting campaign to boycott OPC products.

7. Painted "Ash Grove Cement" on cement silos.

8. Insured continued gypsum supply from gypsum supplier. ASARCO, iron ore supplier, announced the permanent closure of it's smelter at years end.

9. Received first clinker delivery from Durkee. Pursuing projects which would improve clinker and cement unloading. No consulting or design has been contracted at this point.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

May , 19 84

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased		
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	18,205	38,673
Cement produced	22,134	23,279
Cement produced, % of schedule	1.216	.602
Cement produced: Type I	5,400	5,400
Type II	16,734	17,444
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		435
Masonry		
Cement shipments estimated	18,205	38,673
Cement shipments actual	16,011	35,377
Cement shipments, % of estimate	.879	.915
Cement Shipments: Type I	2,982	11,173
Type II	10,048	17,304
Type III	2,376	5,167
Type I-P		
Type V		
Oil Well, H		
Oil Well, G	401	1,203
Masonry	204	530
Intra-Company shipments		
Clinker shipped		
Clinker received		
Cement shipped	42	42
Cement received	2,277	5,294
Inventories:		
Clinker produced & purchased	18,138	-
Cement produced & purchased	24,749	-
Coal	4,000	-
Gypsum	1,110	-
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.095	.053
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.046	.041
Wage overtime, % of total wage MH (exclude load & ship)		
Employment		
Additions, (Discontinuations)	1	24
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

AGC2D000046

OPERATIONS REPORT -- COMMERCIAL ROCK

SEATTLE

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. No reportable accidents.
2. One resignation due to low wages. Two new-hires. Total wageroll increased to ten employees.
3. Around-the-clock finish mill operation brought up successfully.
4. Contracted for two truck couriers to drive customer trucks across picket line.
5. Agreement made with Genstar to supply clinker for 12 month period.
6. Contacted TAMS and Swan and Wooster for quotations on wharf improvement feasibility study.
7. Held meetings with all supervisors to determine their understanding of plant promotional and evaluation procedure. Donworth and Taylor will prepare a handbook to adress areas of confusion.

COPY: WNC ✓
NE ✓

Oregon Portland Cement Company

Inter-Office Memorandum

JUN 04 1984

Date June 1, 1984

To Ken Rone

From Pat Kisor

Copies to

Subject

I'm attaching a new form for the operations report that you can reproduce to send your information in on. The final report has a column for each plant, and after I type it, I send it back to Overland Park.

I added "Clinker purchased" in the first group of items. Erik said to omit "White" from Cement produced and Cement shipments. Under inventories, omit "Slurry" Combine Clinker produced and purchased and Cement produced and purchased. Leave out the list of materials purchased. Under Employment, put Additions, (Discontinuations) on same line by subtracting discontinuations from additions to come up with a combined total. If there are only discontinuations, show it with a minus sign (-2).

I don't think you need to do anything with the second page except for the comments.

Hope I didn't confuse you too much but we'd like to use the same form for each plant.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

_____, 19 MONTH YEAR

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased		
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled		
Cement produced		
Cement produced, % of schedule		
Cement produced: Type I		
Type II		
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		
Cement shipments estimated		
Cement shipments actual		
Cement shipments, % of estimate		
Cement Shipments: Type I		
Type II		
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		
Intra-Company shipments		
Clinker shipped		
Clinker received		
Cement shipped		
Cement received		
Inventories:		
Clinker produced & purchased		
Cement produced & purchased		
Coal		
Gypsum		
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)		
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH		
Wage overtime, % of total wage MH (exclude load & ship)		
Employment		
Additions, (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

AGC2D000049

OPERATIONS REPORT -- COMMERCIAL ROCK

	LAKE OSWEGO MONTH	LAKE OSWEGO YEAR	DURKEE QUARRY MONTH	DURKEE QUARRY YEAR
Primary Crusher Production				
Commercial rock				
Production				
Sugar rock				
Shipments				
Other than to Plant				
Rock from Blubber Bay				
E.O.M. Inventory				
KWH/Ton Clinker - Quarry				
Prod. to Plant				
Employment				
Additions (Discontinuations)				
End of Month Total				
End of Month Wage				
End of Month Salaried				

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

ASH GROVE CEMENT WEST, INC.

OPERATIONS REPORT - CEMENT

April, 19 84

	SEATTLE MONTH	SEATTLE YEAR	
Clinker production capacity			
Clinker production scheduled			
Clinker produced			
Clinker produced, % of schedule			
Clinker produced, % of optimum			
Clinker purchased			
KWH per ton of clinker			
Mill B.T.U./ton, kilns only			
Cement production scheduled			
Cement produced	1,145	1,145	
Cement produced, % of schedule			
Cement produced: Type I			
Type II	710	710	
Type III			
Type V			
Oil Well	435	435	
Masonry			
White - Purchased			
Cement shipments estimated			
Cement shipments actual	15,083	19,372	39.0
Cement shipments, % of estimate			
Cement shipments: Type I	8,117	10,605	
Type II	3,983	4,842	
Type III	2,223	2,792	
Type V			
Oil Well	501	801	
Masonry	260	326	
White - Purchased	(1)	6	
Intra-Company Shipments			
Clinker received			
Cement shipped			
Cement received	2,295	3,017	
Inventories:			
Slurry	1,700		
Clinker - Produced	32,855		
Clinker - Purchased	6,277		
Cement - Produced	16,378		
Cement - Purchased	15		
Coal	4,000		
Gypsum	2,250		
Cement made, cost/ton			

AGC2D000051

ASH GROVE CEMENT WEST, INC.

OPERATIONS REPORT - CEMENT

April, 19 84

	SEATTLE	
	MONTH	YEAR
Materials Purchased:		
Texada Rock		
Wenatchee Silica		
Ravensdale Sand		
Tacoma Slag		
Molasses		
Gypsum		
Vinsol Resin		
Oleic Acid		
Grinding Aids		23
Coal		
Wage MH/ton cement shipped (P&L only)	.024	.019
Wage MH/ton clinker produced (Exclude P&L)		
Wage overtime, % of total wage MH	.008	.008
Wage overtime, % of total wage MH (Exclude P&L)		
Employment		
Additions	10	24
(Discontinuations)	(1)	(1)
End of Month Total	23	23
End of Month Wage	9	9
End of Month Salaried	14	14

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Salaried supervisors continued packing and shipping operations until permanent replacements were hired.
2. Hired ten (10) wageroll employees for packing and loading operations. One resignation due to "low wages". Applications and interviewing and reference checking continued for other plant positions.
3. Slurry storage, packing and loading, cement transferring and rail car unloading were primary functions during month.
4. All supervisors trained on SO_3 and fineness determination in preparation for finish mill operation.
5. Finish mill started up grinding balance of Type G Clinker to check all systems.
6. Received sack shipments from Lake Oswego and Bulk Type III from Durkee.
7. Held seminars for all supervisors on effective labor relations and for all salaried employees on OPC benefit plans.

ASH GROVE CEMENT WEST, INC.

OPERATIONS REPORT - CEMENT

March , 19 84

SEATTLE

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased		
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled		
Cement produced		
Cement produced, % of schedule		
Cement produced: Type I		
Type II		
Type III		
Type V		
Oil Well		
Masonry		
White - Purchased		
Cement shipments estimated		
Cement shipments actual	4,289	4,289
Cement shipments, % of estimate		
Cement shipments: Type I	2,488	2,488
Type II	859	859
Type III	569	569
Type V		
Oil Well	300	300
Masonry	66	66
White - Purchased	7	7
Intra-Company Shipments		
Clinker received		
Cement shipped		
Cement received	722	722
Inventories:		
Slurry	1,700	
Clinker - Produced	33,950	
Clinker - Purchased	6,277	
Cement - Produced	28,022	
Cement - Purchased	14	
Coal	4,000	
Gypsum	2,300	
Cement made, cost/ton		

AGC2D000053

ASH GROVE CEMENT WEST, INC.

OPERATIONS REPORT - CEMENT

March , 19 83

	SEATTLE	
	MONTH	YEAR
Materials Purchased:		
Texada Rock		
Wenatchee Silica		
Ravensdale Sand		
Tacoma Slag		
Molasses		
Gypsum		
Vinsol Resin		
Oleic Acid		
Grinding Aids	23	23
Coal		
Wage MH/ton cement shipped (P&L only)		
Wage MH/ton clinker produced (Exclude P&L)		
Wage overtime, % of total wage MH		
Wage overtime, % of total wage MH (Exclude P&L)		
Employment		
Additions	14	14
(Discontinuations)		
End of Month Total	14	14
End of Month Wage		
End of Month Salaried	14	14

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Took applications for replacement workers.
2. Maintained shipments with supervisory personnel.
3. Established plant security.

F-MONTH END REPORT

OREGON PORTLAND CEMENT COMPANY OPERATIONS REPORT - CEMENT

APR 30 1984

DURKEE/MAY

March, 1984

for March MONTH MAR 23 - 31 VTD

memo only VTD 3/23

Reviewed w/ WNC & NF 5/4/84

	MONTH	YEAR
Clinker production capacity	46,000 NF	552,000
Clinker production scheduled	0 NF	448,000
Clinker produced	23,088 NF	82,049
Clinker produced, % of schedule	NF	18.31
Clinker produced, % of optimum	NF	14.86
KWH per ton of clinker	64.92 WNC	80.43
Mill B.T.U./ton, kilns only	3.57 NF	3.70
Cement production scheduled	36,000	448,000
Cement produced	25,831	63,740
Cement produced, % of schedule	71.75 NF	14.22
Cement produced: Type I	7,307	21,890
Type II	18,524	41,850
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		
Cement shipments estimated	36,000	448,000
Cement shipments actual	27,542	66,135
Cement shipments, % of estimate	76.50	14.76
Cement shipments: Type I	3,010	6,671
Type II	13,103 NF	27,503
Type III	144	320
Type I-P		225
Type V		
Oil Well, H		
Oil Well, G		
Masonry		
Intra-Company shipments - Oswego Clinker shipped		6,819
Clinker received		
Cement shipped	11,285 NF	31,416
Cement received		
Inventories: Clinker	41,879	
Cement	31,828	
Coal	1,890 NF	
Gypsum	972	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.02	.04
Wage MH/ton clinker produced (exclude load & ship)	.49	.37
Wage overtime, % of total wage MH	4.26 WNC	2.61
Wage overtime, % of total wage MH (exclude load & ship)	3.48	2.31
Employment Additions, (Discontinuations)	-1	-1
End of Month Total	71	71
End of Month Wage	52 WNC	52
End of Month Salaried	19	19

AGC2D000055

OPERATIONS REPORT -- COMMERCIAL ROCK

	DURKEE QUARRY MONTH	YEAR
Primary Crusher Production	9,275	90,315
Commercial rock		
Production - Sugar Rock	3,975	34,540
Shipments - Other than to Plant	252	35,216
Rock from Blubber Bay		
E.O.M. Inventory	17,158	
KWH/Ton Clinker - Quarry Prod. to Plant	2.78	3.77
Employment		
Additions (Discontinuations)	+1	-2
End of Month Total	25	25
End of Month Wage	23	23
End of Month Salaried	2	2

RAW MATERIAL RECEIPTS ✓
CANADIAN ROCK
WENATCHEE SILICA
RAVENSDALE SILICA
SLAG
FLY ASH
WNC

ADDITIVE RECEIPTS ✓
- VBLS
- LIGNOSULPHONATE
- MOLASSES

COAL RECEIPTS ✓

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

The kiln was restarted on March 15. All scheduled work was completed during this period except bolt repair on the dryer section on the raw mill. The special bolts from F. L. Smidth have not yet been received. We will attempt to do this work without shutting the kiln down when the bolts arrive.

After March 15 the kiln lost 25 minutes when OA-2 fan dropped out.

The first cars of coal from Pacific Basin and Carbon Company were received and unloaded March 30.

The primary and sugar rock crushers were down during the month for winter maintenance. The continued wet weather has caused lost time at the secondary crusher with plugged screens and chutes.

ANNUAL REPORT TO PRESIDENT
REVIEWING 1985
SEATTLE CEMENT PLANT

January 30, 1986

ANNUAL REPORT TO PRESIDENT
REVIEWING 1985
SEATTLE CEMENT PLANT

Production through the year of 1985 was maintained through reliance on clinker importation from Genstar Cement Ltd., clinker from Ash Grove's Durkee Plant, 1348 tons of Type I cement imported from Genstar and 6041 tons of Type I transferred from Durkee. Bulk cement and sack cement were shipped to customers throughout the year, in addition to minor quantities of interplant transfers to the Lake Oswego Plant and Kennewick Terminal. A bulk white cement rehandling agreement was struck with Lehigh Cement which began the distribution of bulk "Atlas" brand white cement from the plant.

CLINKER

The majority of the clinker supply was secured from Genstar Cement Ltd., and transferred to the plant via Canada Cement Lafarge's barge L'Etoile. On January 21, 1985, an agreement was signed extending the supply agreement from Genstar for three years, beginning March 7, 1985. Genstar clinker was incorporated into Type I, II and III cements.

Genstar clinker continued to be deficient in the steam-cure performance of Type III cement so Durkee clinker was substituted for specific customers. An efficient rail car unloading installation was completed and Durkee clinker began to be transferred at the capacity limits of the unloading design. New steel sheeting was installed over the roof of the clinker shed to eliminate rain leakage onto the clinker. The volume received over and above the Type III requirements was used to blend into Type I cement, keeping the Durkee plant at a more favorable utilization level. Late in the year, a specific market was developed and Durkee Type I clinker was also used exclusively to produce a Type I cement with improved performance when blended with fly ash.

TABLE I
CLINKER INVENTORY

Beginning Inventory	11,927	
Genstar Type I Received	84,708	192 597
Genstar Type II Received	107,889	
Durkee Type I Received	50,309	
Ending Inventory	18,249	

FINISH MILL OPERATION

The finish mill operation was again maintained throughout the year primarily by salaried supervisors with backup assistance from the shift bulk loaders and day shift production personnel. Type I and Type II-LA cements were produced routinely in quantities approximating customer demand. Various testing programs were pursued to improve the performance of the Type III product under steam-cured conditions. Durkee clinker was blended with Genstar clinker and also ground separately at various finenesses, particle size distributions and with different grinding aids to establish performance data. The year ended with two established products shipped to designated customers and inventoried appropriately. These products were Type III-G (100% Genstar Type I clinker) and Type III-D (100% Durkee Type I clinker). 5,500 tons of masonry cement were produced.

Equipment was installed for metered intergrinding of unmerchantable cement on one mill system enabling the regrinding of 5,800 tons into saleable product, freeing up valuable inventory space and recouping the value of the cement. The reground material comprised Oil Well, Block (Type III) and low C_3S Type III cements which had languished in inventory for months.

The initiation of the ground blast furnace slag development program resulted in the test grind of 640 tons from which samples are presently being distributed to selected customers. This inventory awaits this yet unrealized market.

Gypsum supplies for 1985 were switched from our historic supplier, supplying Mexican gypsum, to a new supplier supplying a 25 mm Spanish product. Two deliveries of 7,000+ tons enabled storage to be kept under cover. The appearance and handling of this product was superior to the previous material. The savings exceeded $120 M during 1985.

Maintenance of the finish mill operation, other than routine maintenance, included two rebuilds of #1 separator gearbox, replacement of the additive pumps with a variable speed gear pump (improving reliability and accuracy of the system), some lifter bar and liner replacement and replacement of the gypsum bin.

Tests continued throughout the year on various grinding aids and pack set inhibitors which continued at year end and were without conclusion at that time.

FINISH MILL OPERATION (cont)

TABLE II

FINISH MILL OPERATING DATA

	Type I	Type II	Type III	Masonry	Slag	Total
Tonnage	116,527	118,708	20,860	5,508	640	262,243
Tons/Hour	53.8	52.5	30.6	32.7	14.6	49.3
Tons Gypsum	5,791	5,586	1,273	152	25	12,827
Blaine, m^2/Kg	386	384	526	705	573	-
Hours Operated	2,167.3	2,260.0	682.6	168.5	43.9	5,322.3
Tons Grinding Aid	20.52	19.87	5.17	0.62	0.25	46.43

SHIPPING

Shipping activities continued routinely during the year. Emphasis was placed on large bulk bag loading efficiencies, as this mode of shipment to the Alaska market all but eliminated wooden boxes which were previously used. Several hundred bags were loaded and shipped.

Sack cement represented 3.9% of our shipped tonnage. The supplier of white cement in sacks was switched from Gifford-Hill to Lehigh Portland Cement Co., as a courtesty to our improved relations with Lehigh while realizing a significant price savings. Also, we agreed to terminal bulk white cement for Lehigh for a throughput charge. Eighty-five (85) tons of this cement was shipped.

TABLE III

SHIPPING

TONS	TYPE I	TYPE II	TYPE III	OIL WELL	MASONRY	WHITE
Bulk	114,796	116,753	19,522	106	832	85*
Sack	-0-	7,445	744	-0-	1,937	37
Total	114,796	124,198	20,296	106	2,769	37
Tonnage Bulk		252,009				
Tonnage Sack		10,193				
Manhours		15,849				

*Rehandled for Lehigh Portland Cement Co. not included in totals.

MAINTENANCE

Plant mechanical maintenance continued to be contracted. Two skilled millwrights reported daily under the direction of the Repair Supervisor who himself assumed

MAINTENANCE (cont)

an active roll in the hands-on repair activities. Minor backup was provided by plant wage-roll and salaried employees. Electrical maintenance continues to be performed by the plant Electrical Supervisor.

In September, the two contracted millwrights were hired onto the AGCW payroll in Production Support B positions. The continuity of the maintenance effort was not affected by this change which brought improved benefits to the employees while saving AGCW the contractor's mark-up.

In February a contract was let to a local vibration analysis specialist to provide quarterly, computerized analysis of the vibration signatures of critical machinery in the finish mill. This service was previously supplied by F.L. Smidth on a more limited and more expensive basis.

Much use is made of outside machine, fabrication and electrical shops as opportunities arise.

ORGANIZATION/PERSONNEL

Plant organization remained unchanged in structure (except as noted above) during 1985 with the exception of establishing a second Laboratory A position in July to assist with the added workload created by the Competitive Testing Program adopted at that time.

In October 1984, an employee suffered a disabling back injury and has been off work since that time. In June, a replacement was hired to fill the staffing vacancy this created. At the end of the year the disabled employee was formally terminated from the payroll. He continues to receive time loss payments while advancing in a vocational rehabilitation administered under an accredited counselor.

In March, a grounds keeper was hired into the Building and Grounds B position on a part-time (2 day/week) basis. The groundskeeper resigned in June by prearranged agreement to pursue missionary work.

(b) (6) [redacted]

SAFETY

Accidents Referred to Physician	6
Lost Time Accidents	0
Safety Committee Meetings & Tours	16
MSHA Inspections	2

In April, Safety Committee Member and Electrical Supervisor, Mr. Gabel, attended the Regional PCA Safety Conference in Utah. In November, the entire four member Safety Committee attended the two day Governor's Safety Conference in Seattle.

Also in April, a safety incentive program was initiated, intended to increase safety awareness. "Safety Bingo" involved a Bingo number being drawn for each day completed without a doctor's case. In the first quarter of 1985, we referred five accidents to a doctor, in the three quarters since the start of the program, we have had only one doctor's case. Awards were increased after 100 consecutive days without one doctor's case and now stand at $34 in merchandise. In October, in recognition of one year without a lost time accident, all plant employees were awarded a complete suit of foul weather gear.

On March 14 and again on September 26, an MSHA Representative toured plant facilities as required semi-annually. No citations or notices of non-compliance were issued. One recommendation was made to correct a situation of concern.

We were advised in August, by MSHA, that their statistics showed the Seattle Plant to have one of the highest accident frequencies in the nation. They indicated a modification of their mandatory "PAR" Program was in order. As their data conflicted with ours, a meeting was held at which a variety of administrative and clerical errors were resolved, causing MSHA to withdraw their request.

ENGINEERING

Projects Completed in 1985

- Slag dryer evaluation
- Clinker silo roof replacement
- Gypsum bin replacement and interior coating
- Office building remodeling
- Implementation of vibration monitoring system (contracted)
- Installation of truck blow-off line to the cement storage silos
- Insulation and hopper discharge modification to the clinker transfer baghouse

ENGINEERING (cont)

Projects Completed in 1985 (cont)

Assist with management response to the Seattle LUTP proposed zoning code changes

Rail car unloading system

Projects Continuing into 1986

Baghouse installation at clinker rail car unloading

Symetro gearbox seal replacement

Underground tank removal and surface tank substitution

Tower 9 baghouse replacement

Clinker shed enclosure (west end)

Plant waste water disposal

ENVIRONMENTAL AND LEGISLATIVE MATTERS

Compliance inspections were performed at the plant by the Puget Sound Air Pollution Control Agency (PSAPCA) and the Washington State Department of Ecology to inspect for situations contributing to contamination of ground water and/or the Duwamish River. Both visits were without specific immediate recommendations though the latter inspection is unresolved at this time.

A charge filed by the United States Attorney's Office cited a one count viloation of the Rivers and Harbors Act of 1899. The charge resulted from a Coast Guard inspection of a complaint filed by a neighbor. The incident involved clinker dust and scale falling from a dust collector into the river, during amodification to the collector to make it more efficient and thus satisfying a concern voiced by (PSAPCA). On advice of council, a plea of guilty was registered in U.S. District Court, as negotiated with the U.S. Attorney, on October 11, 1985, resulting in a $5,000 fine.

In October, a PSAPCA citation for fugitive dust escaping from a rock crushing operation was issued and resulted in a $1,000 fine. Three complaints were received alleging property damage from cement dust. One automobile with an obvious calcareous deposit, was cleaned without admission of guilt, at our expense, to relieve the owner's concern. Plant personnel cleaned the windows of a boat which had an unknown material, appearing to be paint overspray, to the owner's grateful appreciation. Another automobile owner, complaining of cement dust on her auto, was convinced that the material was obviously paint overspary from another source, with which the owner appeared satisfied.

ENVIRONMENTAL AND LEGISLATIVE MATTERS (cont)

The following activities and situations potentially impact the plant's continued ability to operate and involve the continuous participation of plant management as the public hearing process and the formation of the regulatory statutes progress. None is seen at this time to restrict our future capabilities to serve our customers and market.

1. Corps of Engineers, Duwamish River Deepening and Widening Project
2. Port of Seattle, Waterfront Access Plan
3. Shoreline Management Act, Land Reclassification Study
4. City of Seattle, Department of Construction and Land Use Comprehensive Re-zoning Study
5. City of Seattle, Ground Water Contamination Study
6. State of Washington, Notice of Plant Closure Legislation
7. State of Washington, Worker Material Safety Data Notification and Chemical Hazard Training Legislation
8. State of Washington, Hazardous Waste Classifications
9. EPA ammendments to the Resource Conservation and Recovery Act concerning Underground Storage Tanks
10. Seattle City Light, 1986 Electric Rate Restructuring
11. EPA/METRO, Duwamish River Characterization and Clean-Up Programs

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

December, 1985

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	3,962	192,597
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	16,840	265,289
Cement produced	-0-	256,306
Cement produced, % of schedule		.966
Cement produced: Type I		115,316
Type II		113,982
Type III		20,860
Type I-P		
Type X Slag		640
Oil Well, H		
Oil Well, G		
Masonry		5,508
Cement shipments estimated	16,840	265,289
Cement shipments actual	14,601	262,165
Cement shipments, % of estimate	.867	.988
Cement Shipments: Type I	6,550	114,796
Type II	6,660	124,198
Type III	1,266	20,296
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		106
Masonry	125	2,769
Intra-Company shipments		
Clinker shipped		
Clinker received	7,087	50,309
Cement shipped		320
Cement received		404
Inventories:		
Clinker produced & purchased	18,249	
Cement produced & purchased	31,793	
Coal	2,114	
Gypsum	4,413	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.092	.060
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.005	.017
Wage overtime, % of total wage MH (exclude load & ship)	.007	.022
Employment		
Additions, (Discontinuations)	(1)	2
End of Month Total	26	26
End of Month Wage	12	12
End of Month Salaried	14	14

AGC2D000065

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. No reportable accidents. Showed safety movie. Held MSHA safety seminar for all employees. Held Safety Committee Meeting. Avenues will be investigated to improve communications among team.
2. SeaLand Corp. investigated feasibility of using our clinker dock to tie up ship needing overhaul. Price quoted at $200/day or $3000/month.
3. Marine Logistics Corp. began mooring their barge at our wharf, paying $1000/month lease.
4. Began development of capital projects involving clinker unloading dust collector, waste water disposal, drive through truck wash and enclosed clinker shed. Finish mill instruments will be purchased on an expense basis.
5. The Type II cement bags delivered by Bemis were wet and in unusable condition. Bemis will exchange the load.
6. Advised Continental Lime that the Seattle coal inventory could be had for $35.00/short ton, provided the entire pile was moved out at one time. They declined.
7. Discussed complications in slag transfer to Durkee with trucker. Though most questions are resolved, we are uncertain when the haul can resume.
8. (b) (6)
(b) (6)
9. Received quotations for 1986 gypsum supply as low as $23.50/short ton.. This is $3.20 less than last year's price. Details of purchase remain to be worked out.
10. Jones-Washington Stevedoring Co., has quoted $225,000 for the sale of the crane scow proposed for slag unloading. A report on this situation is forthcoming.
11. (b) (6)
12. Removed two underground tanks and preparing to remove two others. Will meet with Fire Marshals to investigate moving diesel storage to above ground tank and thus end up with no underground tanks on the property.

13. Heavy maintenance activity continues as winter overhaul of finish mill systems is in full swing.

KJR:lmb

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

November , 19 85

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	5,772	188,635
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	19,456	248,449
Cement produced	12,197	256,306
Cement produced, % of schedule	.627	1.032
Cement produced: Type I	5,170	115,316
Type II	4,605	113,982
Type III	1,782	20,860
Type I-P		
Type Slag	640	640
Oil Well, H		
Oil Well, G		
Masonry		5,508
Cement shipments estimated	19,456	248,449
Cement shipments actual	10,495	247,564
Cement shipments, % of estimate	.539	.996
Cement Shipments: Type I	4,846	108,246
Type II	4,407	117,538
Type III	1,098	19,030
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		106
Masonry	144	2,644
Intra-Company shipments		
Clinker shipped		
Clinker received	5,950	43,222
Cement shipped	16	320
Cement received		6041
Inventories:		
Clinker produced & purchased	7,200	
Cement produced & purchased	47,034	
Coal	2,114	
Gypsum	4,413	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.105	.059
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.009	.018
Wage overtime, % of total wage MH (exclude load & ship)	.006	.024
Employment		
Additions, (Discontinuations)	-	3
End of Month Total	27	27
End of Month Wage	13	13
End of Month Salaried	14	14

AGC2D000068

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. No reportable accidents.
2. Heavy snowfall and freezing weather combined to lower shipments to 54% of forecast. Cracked housing on C-250 compressor and broke 4" watermain, flooding raw mill building.
3. BFS delivered to Vancouver wharf, transferred directly to Lafarge barge, unloaded in Seattle during snowstorm. Ground 500 ton test quantity at 575 BSS. Total quantity delivered was 5842 short tons.
4. Extensive labor was directed to clinker silo #2 where residual BFS, left there since 1981, had to be removed by hand. Nearly 400 manhours were required.
5. Met with MSHA representative to indicate that their supervisory training program was not appropriate for our needs and that their program would need to carry an effective safety awareness theme if it was to continue. Their next program proved to be more suitable.
6. Attended application demonstration of new telephone system. This was presented by the second of two competing firms for our telephone service. Mr. Cunningham will designate which firm will get business and install system in December.
7. Repaired most recent leak in Clinker Club roof. Recommend Ash Grove begin negotiations with Lone Star for roof replacement next year.
8. Shipped second load of ASARCO slag to Durkee. Poor weather delayed travel and load arrived frozen. There are still many logistical problems to resolve to make this material transfer work.
9. (b) (6) [redacted]
10. Began packaging Masonry in new gray colored sack for better product identification.

11. Attended Governor's Safety Conference with three other members of the Safety Committee. The conference was poorly attended due to weather complications.
12. M.V. "Eastern Pace" left Kaiser terminal on 11/29/85, after 23 days unloading, much of which was at anchor. M.V. "Atlantic Star" finished unloading on 11/10/85.

KJR:lmb

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

October, 19 85

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	25,977	182,863
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	24,087	229,093
Cement produced	43,446	244,109
Cement produced, % of schedule	180.37	106.55
Cement produced: Type I	21,650	110,146
Type II	17,735	109,377
Type III	1,658	19,078
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry	2,403	5,508
Cement shipments estimated	24,087	229,093
Cement shipments actual	25,763	237,069
Cement shipments, % of estimate	1.070	1.035
Cement Shipments: Type I	13,815	103,381
Type II	10,510	113,151
Type III	1,158	17,931
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		106
Masonry	280	2,500
Intra-Company shipments		
Clinker shipped		
Clinker received	7,365	37,272
Cement shipped	45	304
Cement received		6,041
Inventories:		
Clinker produced & purchased	4,346	
Cement produced & purchased	45,348	
Coal	2,114	
Gypsum	5,127	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.063	.057
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.015	.019
Wage overtime, % of total wage MH (exclude load & ship)	.022	.028
Employment		
Additions, (Discontinuations)	-	3
End of Month Total	27	27
End of Month Wage	13	13
End of Month Salaried	14	14

AGC2D000071

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. No accidents. Showed safety film to all plant personnel concerning conveyor belt safety. Passed 100 days since last reportable accident. Passed 365 days without a lost time accident. Upped jackpot on safety bingo to $32 in recognition of this.
2. Atlantic Star arrived at Kaiser Terminal 10/23/85, and continued to unload throughout the month. Rain has significantly delayed unloading. Apollo Ace arrived at Kaiser Terminal on 10/1/85 and departed 10/14/85.
3. Filling all cement silos prior to 55% increase in winter power rates. Present inventory is 87% of capacity. Reserve storage is being maintained for 1000 tons of ground blast furnace slag.
4. Relocated surplus dust collector for service at rail car clinker unloading.
5. Met with representatives from Smith Security to review performance of security guard. Changes in personnel and training were agreed to.
6. (b) (6)
7. Received invoice for one carload of Atlas White Cement in sacks. Next day rail car arrived. This cement was not ordered by AGCW. Lehigh representative, Mr. Gray, indicated that he would like to consign their product through us for 50¢/sack. Invoice was discarded and we will now maintain two separate inventories and billing procedures for Atlas cement depending on who the customer is. On 10/30/85, we received second car of Atlas White Cement consigned to Lehigh. Shipped a load of white bulk cement to Morse Brothers. This is the second shipment of bulk white cement.
8. Representative of Industrial Risk Insurers inspected facilities.
9. Completed regrinding of 5800 tons of unmerchantable cement freeing up this inventory space and increasing our marketable cement by 5800 tons without clinker purchase.
10. Pled guilty in Federal Court to one criminal count of a violation of the Rivers and Harbors Act of 1899 and paid fine of $5000.
11. Received subpoena for records of sales and communications with Riedel International, Inc., involving cement and fly ash. Forwarded information to Portland Office.

12. Conducted first of several plant safety meetings. MSHA instructor is presenting material. Sessions will be for one hour each week. Also held Safety Committee Meeting and Departmental Safety Walk Through.
13. Received PSAPCA citation for fugitive dust escaping from rock crushing system. Rock was being prepared for masonry cement. Fine will be $1000.
14. Completed masonry run producing 2500 tons.
15. Site inspection by Department of Ecology involved a review of the recommendations made by METRO in October 1984, plus additional concern over settling pond. Last pond sample (two years ago) showed Cu @ 0.1 ppm. Maximum allowable is 0.02 ppm. This has changed since process was shut down and pond will be re-sampled. The coal and slag stockpiles may have to be covered.
15. Shipped first load of ASARCO slag to Durkee and returned with load of clinker.
16. Shipped a trial load of coal to Tacoma Lime. We understand that moisture and fineness caused handling problems.
17. Met at General Metals in Tacoma to discuss feasibility of using their equipment to unload BFS. Met later with Jones-Washington Stevedoring, who have a scow with two cranes mounted on tracks. They will quote at $6.50/ton to unload at our wharf onto a conveyor belt system.
18. Pozzolin dryer from Durkee arrived. We will not assemble it until it is apparent BFS will require drying. We will then pursue six week program of proper siting and assembly for efficient operation.

ORIGINAL

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

September, 1985

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	17,027	156,886
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	26,934	205,006
Cement produced	27,089	200,663
Cement produced, % of schedule	1.006	.979
Cement produced: Type I	14,027	88,496
Type II	10,808	91,642
Type III	2,254	17,420
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		3,105
Cement shipments estimated	26,934	205,006
Cement shipments actual	24,456	211,306
Cement shipments, % of estimate	.908	1.031
Cement Shipments: Type I	12,319	89,566
Type II	10,670	102,641
Type III	1,113	16,773
Type I-P		
Type V		
Oil Well, H		
Oil Well, G	67	106
Masonry	287	2,220
Intra-Company shipments		
Clinker shipped		
Clinker received	5,876	29,907
Cement shipped	25	259
Cement received		6,041
Inventories:		
Clinker produced & purchased	10,988	
Cement produced & purchased	27,710	
Coal	2,180	
Gypsum	7,414	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.052	.056
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.018	.020
Wage overtime, % of total wage MH (exclude load & ship)	.001	.029
Employment		
Additions, (Discontinuations)	2	3
End of Month Total	27	27
End of Month Wage	13	13
End of Month Salaried	14	14

AGC2D000074

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry Prod. to Plant		
Employment Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Began relocation of much needed dust collector for clinker unloading elevator.

2. Ground 2500 tons of Type I cement from straight Durkee clinker. This will be designated Type I-D.

3. Recommend immediate contact with Allied Corp to determine asking price of Blum property. It is a valuable silica and alumina resource and should be kept from our competition if economically reasonable.

4. Hired two millwrights who were previously contracted to assist on plant maintenance. Their incentive to join AGCW comes from our much superior benefits package.

5. Problems on #1 separator gearbox continue. After installation of rebuilt unit, serious vibration was detected. Vibration consultants were immediately brought in and recommended it not be run. The gear rebuilder was consulted. They insisted the vibration was not abnormal, and that no adjustment was necessary. With their warranty, we are reluctantly running the unit and monitoring for improvement.

6. Contacted attorney who will attempt to get reduced fine in settlement of Criminal Action relating to cement falling into Duwamish River.

7. Met with MSHA. Administrative error has their statistics showing one additional disabeling accident than it should. MSHA thinks this is significant and will withdraw PAR Program requirement.

8. Ordered masonry sacks with gray crosshatched background. Will order Type III sacks with similar green crosshatching. This will better distinguish products.

9. Met with Lafarge and Genstar representatives to discuss excessive dusting from barge L'Etoile. They will check baghouses for deterioration more frequently and will install separate dust collector to vent shuttle conveyor. Discussed connection of barge and receiving hopper with extendable tube or tunnel. Genstar representative mentioned deplorable appearance of L'Etoile.

10. Shipped 3,800 tons of silica ore to Genstar via Pioneer's Steilacoom Terminal. Their charge for stockpiling, rehandle and load-out is $2.50/ton.

11. Continental Lime contacted Mr. Fernow and said they were interested in coal. Nate quoted them previous price of $42.30/ton F.O.B. plant.

12. MSHA representatives visited for biannual plant inspection. Everything was found in order and they commented on the progress we had made. No citations or recommendations.

13. (b) (6) [redacted]

KJR:lmb

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

August, 1985

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	17,511	139,859
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	26,897	178,072
Cement produced	22,559	174,424
Cement produced, % of schedule	.839	.980
Cement produced: Type I	8,658	74,469
Type II	13,901	81,684
Type III		15,166
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		3,105
Cement shipments estimated	26,897	178,072
Cement shipments actual	29,897	186,850
Cement shipments, % of estimate	1.111	1.049
Cement Shipments: Type I	11,444	77,247
Type II	17,124	91,971
Type III	1,067	15,660
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		39
Masonry	262	1,933
Intra-Company shipments		
Clinker shipped		
Clinker received	3,783	24,031
Cement shipped	46	234
Cement received		6,041
Inventories:		
Clinker produced & purchased	13,789	
Cement produced & purchased	25,102	
Coal	8,799	
Gypsum		
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.046	.059
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.006	.020
Wage overtime, % of total wage MH (exclude load & ship)	.005	.035
Employment		
Additions, (Discontinuations)		
End of Month Total	25	
End of Month Wage	11	
End of Month Salaried	14	

AGC2D000077

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Agreed with local trucker to temporarily store 1200 tons of coal for him in exchange for his hauling off 800 tons on plant refuse at no charge.
2. Increased pay brackets 20¢/hour, for wage roll jobs.
3. Completed truck blow off system that will allow Type I or Type II to be blown off directly intonnew silos.
4. M.V. Star Venture left Kaiser terminal after 19 days unloading. M.V. Golden Coast left terminal after 30 days unloading.
5. Completed field surveys of potential iron sources with trip to the middle of the Blewett Pass Range. Located iron bearing outcrops, however terrain and haul road construction makes this deposit unattractive. Pitt Island, Seattle Steel Slag and Blewett Pass Highway sources seem most attractive at this point.
6. Began bulk shipments to Mutual Materials.Co. They are former Graystone block plants.
7. Held Safety Committee Meeting. No accidents to report. Further discussions with MSHA indicate that this plant will not be under the formal PAR Program, but because of trend is one of the highest in the District. They have offered what they call a "MINI-PAR" Program. I will meet with MSHA to confirm the accuracy of their statistics.
8. Hauled 7,204 tons of gypsum, completing our purchase agreement of last February. New annual purchase agreements will be solicited in December.
9. Further discussion with LaFarge and Genstar on dust control on clinker. It appears little has been done. Both parties have yet to visit plant to observe problems.

10. District Attorney proposed settlement of charges relating to cement in the Duwamish River. Condition would be guilty plea to Clean Water Act violation, other charges dropped, and a $5000 fine paid to an organization doing work on the Duwamish. Our attorney will attempt to negotiate a no contest plea or if not possible, a lowering of the fine. He will also request clarification of unusual "donation" aspect of payment.

11. F.L. Smidth representative visited to assist with solution of symetro input shaft seal problems.

12. #1 separator gearbox shows bearing damage and will be changed out with rebuilt unit.

13. Work at White River Quarry is progressing. Blasting, move-in and set-up have been completed. Processing has begun. Many delays have resulted from weather, scheduling or equipment problems.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

July, 1985

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	16,851	122,348
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	27,413	155,214
Cement produced	19,572	151,865
Cement produced, % of schedule	.714	.978
Cement produced: Type I	11,819	65,811
Type II	5,229	67,783
Type III	2,524	15,166
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		3,105
Cement shipments estimated	27,413	155,214
Cement shipments actual	25,935	156,953
Cement shipments, % of estimate	.946	1.011
Cement Shipments: Type I	10,137	65,803
Type II	13,886	74,847
Type III	1,554	14,593
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		.39
Masonry	358	1,671
Intra-Company shipments		
Clinker shipped		
Clinker received	7,355	20,248
Cement shipped	25	188
Cement received		6,041
Inventories:		
Clinker produced & purchased	13,987	
Cement produced & purchased	32,846	
Coal	2,180	
Gypsum	2,662	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.057	.058
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.011	.022
Wage overtime, % of total wage MH (exclude load & ship)	.003	.041
Employment		
Additions, (Discontinuations)		
End of Month Total	25	
End of Month Wage	11	
End of Month Salaried	14	

AGC2D000080

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Met with Mr. Dash and Mr. Post regarding consolidation of the 12 merchantable and two unmerchantable types of cement we presently inventory. Decision was made to classify Class G as unmerchantable, to consider Genstar Type I as Seattle Type I and to consolidate all Type II designations into single Type II category. This results in seven merchantable types and 5,100 tons designated for regrinding.
2. Type III cement manufactured in Durkee is unacceptable at Concrete Technology Corp., due to high water demand. They were switched back to Type III manufactured in Seattle.
3. Complaint by Interpace Corp., about deterioration in workability of masonry cement. Lab test confirm that present inventory is well within limits.
4. A woman called to complain that cement dust collected on her car which was parked in nearby lot for a three day period. Upon inspecting the car, the material was found not to be cement dust but rather paint over-spray from an unknown source.
5. Mr. Fernow visited possible iron source in Cascade Mountains. The deposit seems viable and the samples will be submitted to Lake Oswego Lab for analysis.
6. Labman began training for competitive testing program.
7. Holroyd Co., complained that bottom row of cement bags were always lumpy. No sample of suspect cement was available.
8. Ship left Kaiser's main terminal after sixteen days unloading and was immediately replaced by the "Star Venture" carrying 18,000 tons. In the meantime, the M.V. Golden Coast continued her unloading. Golden Coast arrived at Glacier Sand and Gravel on 7/9/85 carrying 14,000 tons.
9. Pioneer Construction was disqualified from a crushed rock job because their rock would not pass spec. They then offered customer our crushed limerock at the bid price - $3.00/ton. Quantity was 800 tons. Our cost for rock is $5.56/ton. We also load, weigh and handle paperwork.

10. MSHA advises that our accident trend is in the worst 300 in the nation and they will be putting us on a special program they call PAR.

11. Radio reports and newspaper inquiries reported environmental charges filed in U.S. District Court against AGCW for cement dust spills into the Duwamish River on 4-8-85. I spoke with District Attorney who confirmed this.

12. Power outage 7/31 for 5½ hours interrupting phone service, mill operation and shipments. Four cement loads lost.

13. White River silica quarry was prepared for blast hole drilling. Dry weather caused delay because of fire hazard. Areas to be mined have been designated and stripped of overburden.

14. Suspended Genstar Type I exchange for our Type III due to strength concerns at Genstar Structures.

15. No accidents. Held two safety committee meetings.

KJR:lmb

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

June, 1985

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	16,336	105,497
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	28,016	127,801
Cement produced	29,110	132,293
Cement produced, % of schedule	1.039	1.035
Cement produced: Type I	11,291	53,992
Type II	17,819	62,554
Type III		12,642
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		3,105
Cement shipments estimated	28,016	127,801
Cement shipments actual	22,971	131,018
Cement shipments, % of estimate	.820	1.025
Cement Shipments: Type I	9,935	55,666
Type II	11,051	60,961
Type III	1,722	13,039
Type I-P		39
Type V		
Oil Well, H		
Oil Well, G		39
Masonry	263	1,313
Intra-Company shipments		
Clinker shipped		
Clinker received	2,944	12,893
Cement shipped	45	163
Cement received		6,041
Inventories:		
Clinker produced & purchased	8,385	
Cement produced & purchased	38,376	
Coal	2,180	
Gypsum	3,630	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.057	.058
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.018	.024
Wage overtime, % of total wage MH (exclude load & ship)	.015	.047
Employment		
Additions, (Discontinuations)	1	
End of Month Total	25	
End of Month Wage	11	
End of Month Salaried	14	

AGC2D000083

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry Prod. to Plant		
Employment Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Ordered 1500 tons/week of Durkee Type I clinker.
2. Discussed the loading of silica onto barges for Genstar, with General Construction. They would be able to provide this service.
3. Hired two summer employees.
4. Outside consultant retained to test our Type III-D in concrete mixes to recoup ground lost when Pioneer tested this cement and found fly ash mixes failed to gain strength.
5. Began haul of University of Washington fly ash to disposal site. U of W will absorb cost.
6. Sent nine wage roll employees and two supervisors to Durkee for plant tour. Mr. Cooke and his staff went out of their way to accommodate and the trip generated the expected enthusiasm.
7. Conducted audiometric monitoring on all plant employees.
8. Designated 5,100 tons of finished cement as unmerchantable. This cement will be designated for regrinding.
9. Two reportable accidents, one of which required doctor's services. Packing and Loading B employee twisted knee while carrying off-weight masonry bags back to reclaim screw. No lost time.
10. Drilled numerous prospect holes at several sites within the White River silica deposit.
11. Returned one load of Type I cement from Genstar Structures Ltd., after shipping sample was found to be 600 Blaine points too low.

12. Customer complaints:

a). Genstar Structures Ltd. - Low strength on Type III-D. Subsequent tests show strength to be within limits, however cement is generally lower than their previous supplier.

b) American Vault Co. - Type III-D false sets, sticky and will not come out of their silo. They were switched to another silo.

c) Pioneer Construction Materials - Sample submitted for approval testing showed low strength gain. Sample was shown to be contaminated.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

May, 1985

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	22,790	89,161
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	29,259	106,707
Cement produced	20,787	103,183
Cement produced, % of schedule	.710	.967
Cement produced: Type I	6,541	42,701
Type II	9,475	44,735
Type III	4,771	12,642
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		3,105
Cement shipments estimated	29,259	106,707
Cement shipments actual	25,538	108,047
Cement shipments, % of estimate	.873	1,013
Cement Shipments: Type I	9,979	45,731
Type II	13,486	49,910
Type III	1,775	11,317
Type I-P		
Type V		
Oil Well, H		
Oil Well, G	37	39
Masonry	261	1,050
Intra-Company shipments		
Clinker shipped		
Clinker received	4,606	9,949
Cement shipped	25	118
Cement received		6,041
Inventories:		
Clinker produced & purchased	15,997	
Cement produced & purchased	32,335	
Coal	2,180	
Gypsum	4,998	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.054	.059
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.037	.025
Wage overtime, % of total wage MH (exclude load & ship)	.002	.052
Employment		
Additions, (Discontinuations)	(1)	
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

AGC2D000086

OPERATIONS REPORT -- [redacted]MERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Held two safety committee meetings during the month. No doctor cases to report, one reported finger injury requiring first aid. Safety Bingo program continues to hold interest and is well received.

2. M.V. Green Spanker arrived at Kaiser Terminal 5-13-85 with 16,000 ton Ube cement.

3. Ideal agreed to purchase 2,000 tons of plant coal @ $42.35 per ton, FOB our plant. Haul was interrupted several times due to problems getting the coal to flow thru their system.

4. Finished Clinker transfer from Durkee. 3,500 tons of cement and 3,500 tons clinker on hand.

5. Began exchange program with Genstar Cement Limited. We ship type III-D to Genstar Structures LTD; they return Type I cement for our stock.

6. Geologist Ralph Clark submitted a written proposal for drilling at the White River silica site. Drilling will commence first week in June.

7. Switched white cement sack supplier from Riverside to Lehigh (Atlas). 12% cost saving.

8. Customer Complaints:

   a) Concrete Norswest-Type III was punky with low strength. Cement checked within quality limits.

b) Mutual Materials Company - masonary sacks had hard coating inside. No further developments.

c) Various customers - type II with fly ash add mixtures yielding poor strength performance.

d) Fred Hill Materials - slow loading times. Loading times were found to be well within normal standards. Additional time is spent in plant at drivers option.

e) Western Insolfoam - Type II sacks were inter-mixed within a pallet of Type III sacks. A settlement with the customer is being pursued.

9. (b) (6)

10. Conducted 8-hour basic first aid courses for wageroll employees. Conducted 4-hour CPR refresher course for supervisors as required annually by MSHA.

11. The Seattle Plant expansion committee visited the plant and met to discuss present status of progress towards a plant to replace Seattle's clinker capacity.

12. Visited Pitt Island and magnesite site for visual familiarization and sampling of potential iron source.

13. Shipload of Japanese clinker delivered to Ideal.

14. Distinction between clinker types is beginning to blur. Clinkers are beginning to show very similar analysis.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

APRIL, 19 85

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	27,340	66,371
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	24,474	77,448
Cement produced	29,575	82,396
Cement produced, % of schedule	1,208	1,064
Cement produced: Type I	12,666	36,160
Type II	16,908	35,260
Type III	1	7,871
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		3,105
Cement shipments estimated	24,474	77,448
Cement shipments actual	23,291	82,509
Cement shipments, % of estimate	.952	1.065
Cement Shipments: Type I	9,570	35,752
Type II	11,080	36,424
Type III	2,384	9,542
Type I-P		
Type V		
Oil Well, H		
Oil Well, G	2	2
Masonry	255	789
Intra-Company shipments		
Clinker shipped		
Clinker received	1,864	5,343
Cement shipped	20	93
Cement received	1,524	6,041
Inventories:		
Clinker produced & purchased	8,310	
Cement produced & purchased	37,058	
Coal	3,475	
Gypsum	6,076	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.057	.060
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.046	.022
Wage overtime, % of total wage MH (exclude load & ship)	.119	.064
Employment:		
Additions, (Discontinuations)	1	1
End of Month Total	25	25
End of Month Wage	11	11
End of Month Salaried	14	14

AGC2D000089

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Held one Safety Committee Meeting during the month. No accidents to report.

2. All avenues pursued to dispose of the three critical stockpiles of interest to METRO proved fruitless. A meeting with METRO at the end of the month explained our predicament and the disposal possibilities still pending. METRO approved a 90-day extension for our disposal deadline to July 30, 1985.

3. Glen Odell of SJO toured the plant, collected raw material, chemistries and tonnages, calculated SO_2, NOx, and particulate emissions. He made preliminary contact with PSAPCA as a first step in banking the emissions of the old plant.

4. Pumped a carload of White Cement into Lehigh's Terminal 112. Lehigh will be invoiced $5.00 a ton for our put-through cost.

5. Loaded wrong type of cement into one compartment of Associated Sand & Gravel trailer, contaminating their silo. Seventy-five tons of cement shipped back to our plant at an expense of $600.

6. Contacted Genstar and Lafarge to assure that CCL realizes the severity of the dust emissions from the L'Etoile and that action is taken. Progressive improvement during the month was noted concerning the L'Etoile's emissions.

7. Terminated previous contract for janitorial services and entered into another with a new supplier.

8. Began movement of 1,500 tons of Type II cement from Durkee for Alaska barge.

9. Initiated safety incentive "Bingo" game. Will award prizes based on consecutive days without lost-time accident.

10. Sent one pallet of Type III-DS to Genstar Structures for testing.

11. Mr. Wheeler met with available wage roll personnel and interested salaried employees to review features of savings and thrift plan.

12. Drilled 4 x 40' samples holes at Blum sandstone site.

13. Filled order for 40, 1½ ton bulk bags to Ritchie Transportation in Alaska.

14. Chief Electrician, Richard Gabel, attended PCA Safety Conference in Salt Lake City.

15. Contacted by boat owner who claimed cement dust was stuck to his windshield while moored at Harbor Island Marina. Mr. Fernow met with the owner and demonstrated the proper cleaning technique using vinegar. The owner was quite satisfied with our response.

16. Bid positions for Laboratory A job created by new competitive testing program. Both bidders did not pass qualifying test. The search will be directed to outside candidates by Mr. Post.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

March , 19 85 — SEATTLE

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased	22,182	39,031
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	22,066	52,974
Cement produced	28,159	52,821
Cement produced, % of schedule	1.276	.997
Cement produced: Type I	11,785	23,494
Type II	11,380	18,352
Type III	4,994	7,870
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		3,105
Cement shipments estimated	22,066	52,974
Cement shipments actual	23,932	59,218 ←
Cement shipments, % of estimate	1.085	1.118
Cement Shipments: Type I	10,147	26,182
Type II	11,287	25,344
Type III	2,316	7,158
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry	182	534
Intra-Company shipments		
Clinker shipped		
Clinker received	1,940	3,479
Cement shipped	73	73
Cement received	1,010	4,517
Inventories:		
Clinker produced & purchased	7,235	
Cement produced & purchased	29,271	
Coal	3,475	
Gypsum	7,521	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.049	.062
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.031	.013
Wage overtime, % of total wage MH (exclude load & ship)	.106	.042
Employment:		
Additions, (Discontinuations)		
End of Month Total	24	24
End of Month Wage	10	10
End of Month Salaried	14	14

1
59218
23,300
82,518

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry Prod. to Plant		
Employment Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. (b) (6)
2. With Mr. Voldbaek, met with Genstar and Lafarge representatives at Tilbury to resolve outstanding barge demurrage claims. The proposed settlements have been agreed upon and paid.
3. Received one carload of Atlas White Cement on 3/13/85. Made first and only delivery to Morse Brothers on 3/14/85. Completed construction of pneumatic unloading and cleaned silo for White Cement handling.
4. (b) (6)
5. Mr. Odell of SJO reviewed plant files at PSAPCA and made introductory remarks to agency as to our long-term site plans.
6. Received 7,950 tons of Spanish gypsum. Product quality and appearance are superior to previous supplier. Savings realized, $72M. We will receive a similar delivery in August or September.
7. Kaiser Cement received delivery of 18Mt of Japanese cement on 3/5/85. Cement unloading completed after 21 days.
8. 900 tons of clinker received from Durkee exceeded 0.6% alkali limit. Negotiations with Concrete Technology Corporation will allow us to ship cement below 0.75% to them over the near future. We remain vulnerable to receipts of unblended clinker, which will jeopardize this market.
9. (b) (6)
10. Mr. Bustamante of MSHA, inspected facilities during a routine biannual inspection. He returned to monitor dust and noise. Preliminary reports indicate noise level well below threshold.

11. Ideal Cement received 18Mt Ube clinker.

12. Mr. Eng of PSAPCA inspected facilities during a routine annual inspection. His concern focused on clinker barge unloading. His report reflected suspicions of inadequate dust suppression at clinker barge and rail car unloading systems.
13. Completed construction and erection of gypsum bin at a cost of $46M.
14. Completed the 150M ton contract with Genstar Cement Limited on 3/7/85. Subsequent deliveries have been at new contract.

ASH GROVE CEMENT WEST, INC. OPERATIONS REPORT - CEMENT

SEATTLE

February , 19 85

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased		
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	16,775	30,908
Cement produced	10,175	24,662
Cement produced, % of schedule	.641	.798
Cement produced: Type I	3,419	11,709
Type II	775	6,972
Type III	2,876	2,876
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry	3,105	3,105
Cement shipments estimated	16,775	30,908
Cement shipments actual	15,826	35,286
Cement shipments, % of estimate	.943	1.142
Cement Shipments: Type I	6,265	16,035
Type II	7,221	14,057
Type III	2,214	4,842
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry	126	352
Intra-Company shipments		
Clinker shipped		
Clinker received	1,539	1,539
Cement shipped		
Cement received	2,003	3,507
Inventories:		
Clinker produced & purchased	9,903	
Cement produced & purchased	24,106	
Coal	3,475	
Gypsum	942	
Cement made, cost/ton		
Wage MH/ton cement shipped (Load and ship only)	.069	.070
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.007	.005
Wage overtime, % of total wage MH (exclude load & ship)	.010	.005
Employment		
Additions, (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

AGC2D000095

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1/ Transferred 1,500 tons of Durkee clinker for Type III requirements. Unloading rate is limited to 30 tons per hour. System constraint continues to be clinker elevator.

2. Visited Wolf Mountain Coal in Nanimo. New washingtplant yields excellent product. Stocker sizing eliminates fines and makes outside storage much easier. 180,000 ton annual capacity in this underground operation.

3. Ground 3,100 tons of Masonry cement.

4. With Mr. Miller, interviewed several consulting engineering firms to determine their ability to handle permitting for a new plant. Met with the city's Land Use Planning and Transportation Department and Shoreline Planning Commission to introduce the company and express our concern over proposed changes to the city's master plan, which are presently going through the hearing process. There presently appears to be no threat to our long range site plans. We will continue to monitor both actions and participate in the respective hearing processes.

5. Sent two truck loads of refractories to Inkom. Arranged transportation for nine pallets of refractories from Ideal Basic Industries to Durkee.

6. Electrical Supervisor visited Oswego with Mr. Sheridan and returned with many valuable G-Mac parts. This solves, for the short term, the issue of G-Mac obsolescence and should keep our equipment running for some time.

7. Removed No. 1 separator gearbox for overhaul based on results of vibratory analysis by DLI Inc., who are contracted to monitor our Symetros and separators on a monthly basis. Found input shaft bearing badly worn and pinion gear damage. Backup unit was installed.

8. Began replacement of gypsum bin. Discovered lower portion of bin was also badly corroded and decided to replace that portion as well. This will add $15,000 to the job and approach a total of $50,000.

9. Office remodeling complete except for lunch room and cabinets.

10. Eliminated day shift security guard, saving $2,166/month. Single security guard remains on nights and weekends.

11. Met with employee to discuss the results of his doctor's prognosis stating he could not return to his previous job. We agreed to search Ash Grove for appropriate openings, considering his limitations. He will then be offered appropriate training to re-enter the job market.

12. Customer complaints received from Holroyd Co., about "hot, sticky" Type I cement and from Concrete Technology about low strengths on Type III-D.

13. Further development of the White River Silica Quarry continues. Grindability samples of all mix components have been packaged. Further studies of White River deposit geology continues as well as petrographic analysis.

KJR:lmb

ASH GROVE CEMENT WEST, INC. - OPERATIONS REPORT - CEMENT

SEATTLE

January, 1985

	MONTH	YEAR
Clinker production capacity		
Clinker production scheduled		
Clinker produced		
Clinker produced, % of schedule		
Clinker produced, % of optimum		
Clinker purchased		
KWH per ton of clinker		
Mill B.T.U./ton, kilns only		
Cement production scheduled	14,133	
Cement produced	14,487	
Cement produced, % of schedule	1.025	
Cement produced: Type I	8,290	
Type II	6,197	
Type III		
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry		
Cement shipments estimated	14,133	
Cement shipments actual	19,460	
Cement shipments, % of estimate	1.377	
Cement Shipments: Type I	9,770	
Type II	6,836	
Type III	2,628	
Type I-P		
Type V		
Oil Well, H		
Oil Well, G		
Masonry	226	
Intra-Company shipments		
Clinker shipped		
Clinker received		
Cement shipped		
Cement received	1,504	
Inventories:		
Clinker produced & purchased	3,839	
Cement produced & purchased	26,754	
Coal	3,475	
Gypsum	1,368	
Cement made, cost/ton	.071	
Wage MH/ton cement shipped (Load and ship only)		
Wage MH/ton clinker produced (exclude load & ship)		
Wage overtime, % of total wage MH	.002	
Wage overtime, % of total wage MH (exclude load & ship)		
Employment		
Additions, (Discontinuations)		
End of Month Total	24	
End of Month Wage	10	
End of Month Salaried	14	

AGC2D000098

OPERATIONS REPORT -- COMMERCIAL ROCK

	MONTH	YEAR
Primary Crusher Production		
Commercial rock		
Production		
Sugar rock		
Shipments		
Other than to Plant		
Rock from Blubber Bay		
E.O.M. Inventory		
KWH/Ton Clinker - Quarry		
Prod. to Plant		
Employment		
Additions (Discontinuations)		
End of Month Total		
End of Month Wage		
End of Month Salaried		

Comments regarding production, shipments, personnel, safety, quality, maintenance, plant projects, raw materials, weather, etc.: All Locations

1. Three accidents requiring doctors attention. No lost time. Held two safety meetings with Safety Committee and one with all plant personnel.
2. Completed clinker shed roof repair capitalized at $50M. Began work on office remodeling at estimated cost of $35M.
3. Implemented new salaried vacation and health plans. Formally reviewed performance with all salaried employees.
4. Replaced lifter bars and end liners in #1 finish mill.
5. Received $16,500 (total) in state funds for job training in 1984. No more state funds available.
6. IRI insurance representative, Philip Lundquist, toured the plant with no specific criticisms.
7. M.V. Tropical Beauty left port on 1/20/85, after 31 day discharge of 22,900 tons Ube cement at Kaiser Terminal.
8. Mssrs. Wheeler and Sundberg held a meeting to discuss benefits for all salaried employees. As with previous such seminars, it was very well done and very much appreciated.
9. Dick Cooke picked up the coal mill preheater burner and controls for use at Durkee.
10. Minerals Resources Inc., confirmed delivery of 6,000+ tons of gypsum about March 1, 1985. Met with Norwest Gypsum and confirmed availability at 1984 terms through 1985.
11. Resolved neighbor's complaint of "cement dust" on cars by agreeing to have one car cleaned at our expense. This proposal was enthusiastically received by individual involved. He in turn agreed to wash the company cars under his supervision more frequently and to use more discretion as to where they were parked for long periods of time. Will pay invoice locally and forward copy to Charles Sunderland.

12. Reduced plant security by one man on weekends. Presently there is one security officer around the clock, seven days/week. Resultant savings will be $1500/month.
13. Approved for shipment Type III made from Genstar clinker. It will be designated Type III-G.
14. Ideal turned down our offer to sell limerock. They said they needed the volume at their Texada quarry. Said they could buy coal after April 1st.

KJR:lmb